

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION,  
AND WELFARE, AND RELATED AGENCIES APPROPRIA-  
TION BILL, 1965

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APRIL 10, 1964.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

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Mr. FOGARTY, from the Committee on Appropriations, submitted the  
following

R E P O R T

(To accompany H.R. 10809)

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Departments of Labor, and Health, Education, and Welfare (except Indian health activities, Construction of Indian health facilities, Emergency health activities, and Assistance to refugees in the United States), the National Labor Relations Board, the National Mediation Board, including the National Railroad Adjustment Board, the Railroad Retirement Board, the Federal Mediation and Conciliation Service, the Interstate Commission on the Potomac River Basin, and the United States Soldiers' Home.

The budget estimates forming the primary bases of consideration by the Committee will be found in the budget appendix for 1965 on the following pages:

	<i>Pages</i>
Department of Labor.....	583-608
Department of Health, Education, and Welfare.....	379-472
National Labor Relations Board.....	844-845
National Mediation Board.....	845-846
Railroad Retirement Board.....	850-851
Federal Mediation and Conciliation Service.....	830
Interstate Commission on the Potomac River Basin.....	849
United States Soldiers' Home.....	365

The Committee also considered amendments to the budget for the Department of Health, Education, and Welfare and the Railroad Retirement Board contained in House Document number 240; and pertinent requests for supplemental appropriations for fiscal year 1964 contained in House Document numbers 174 and 203.

The detailed tabulation at the end of this report reflects each amount included in the bill for 1965, the corresponding budget estimate, and the amount available for the fiscal year 1964 with appropriate comparisons.

#### SUMMARY OF ESTIMATES AND APPROPRIATIONS

The following table compares, on a summary basis, the appropriations for 1964, the requests for 1965, and the amounts carried in the bill:

##### *Summary of estimates and appropriations*

Department or agency	Appropriation, 1964	Budget estimates, 1965 (as amended), and 1964 supplementals	Recommended in the bill	Bill compared with—	
				Appropriations, 1964	Budget estimates, 1965 (including 1964 supplementals)
Department of Labor.....	\$392,508,000	\$725,510,000	\$585,954,000	+\$193,446,000	-\$139,556,000
Department of Health, Education, and Welfare.....	5,372,823,500	6,789,299,000	6,276,200,000	+\$903,376,500	-\$513,099,000
National Labor Relations Board.....	22,460,000	25,250,000	24,000,000	+1,540,000	-1,250,000
National Mediation Board.....	1,950,000	1,970,000	1,970,000	+20,000	-----
Railroad Retirement Board: Limitation on salaries and expenses.....	[11,065,000]	[10,500,000]	[10,500,000]	[-565,000]	[-----]
Payment for military service credits.....	-----	13,834,000	13,834,000	+13,834,000	-----
Federal Mediation and Conciliation Service.....	5,690,000	6,100,000	6,100,000	+410,000	-----
Interstate Commission on the Potomac River Basin.....	5,000	5,000	5,000	-----	-----
United States Soldiers' Home.....	[6,622,000]	[6,888,000]	[6,888,000]	[+266,000]	[-----]
Total.....	5,795,436,500	7,561,968,000	6,908,063,000	+1,112,626,500	-653,905,000
Consisting of:					
Related to 1964 supplemental appropriations.....	-----	457,186,000	-----	-----	-457,186,000
Related to 1965 appropriations.....	5,795,436,500	7,104,782,000	6,908,063,000	+1,112,626,500	-196,719,000

#### CHARACTER OF THE BUDGET

The original 1965 budget for the Departments of Labor, and Health, Education, and Welfare was one of the most conservative that has been submitted to Congress in recent years. The only significant increases were in connection with new legislation that made increases close to mandatory. Increases in this category include, in round figures, \$300,000,000 for the manpower development and training program, \$150,000,000 for vocational education, \$464,000,000 for higher education facilities construction, \$37,000,000 for defense educational activities, \$85,000,000 for health professions educational assistance, and \$35,000,000 for construction of community mental health centers. With the exception of these programs, there were no significant increases in the budget for either Department. It was a hold-the-line budget, even in highly important fields like the Public Health Service, and, in many cases, even cut back from the level of operation provided for by the 1964 appropriations.

Then, on March 9, 1964, the budget for the Department of Health, Education, and Welfare was further revised to reduce it by 640 positions and some \$4,000,000.

#### ACTION ON REQUESTS FOR SUPPLEMENTAL APPROPRIATIONS FOR 1964

Action on requests for supplemental appropriations for 1964, which have been disallowed in their entirety, is explained in more detail in connection with the individual items involved. Basically the Committee action represents a recognition that it is, at best, going to be late in the fiscal year before this appropriation bill will be enacted. In most instances, and in all instances where a new program is involved, the Committee has included language in the bill to make the 1965 appropriation for these programs available immediately upon enactment of the bill. Thus if the bill should become law before the end of the fiscal year, these important programs could be started.

### TITLE I—DEPARTMENT OF LABOR

#### BUREAU OF LABOR STATISTICS

*Salaries and expenses.*—The bill includes \$18,125,000, a reduction of \$263,000 from the request, and an increase of \$1,780,000 over the amount appropriated for 1964. The increase is practically all for mandatory pay costs, to further carry out the Gordon Committee recommendations in the field of manpower and employment statistics, and for improvement of the consumer price index. The Committee has not allowed an increase of \$85,000 requested "to expand the program of industry-sector price indexes", nor the request for an additional \$75,000, "to improve the national salary estimates for professional and administrative occupational categories."

The Committee has also followed its policy of many years and has not allowed increased appropriations for the cost of within-grade promotions in either the Department of Labor or the Department of Health, Education, and Welfare except in a few cases where there are extenuating circumstances. The only exceptions made for the Department of Labor were for those offices whose 1965 budget would require a reduction in the number of employees. The Bureau of Labor Statistics had requested \$103,000 for the cost of within-grade promotions which has not been allowed. The Committee wishes it to be clear that this, in no way, will affect the promotion of any individual. This is governed by law and regulations that the Committee has no intention or desire to try to change.

#### BUREAU OF INTERNATIONAL LABOR AFFAIRS

*Salaries and expenses.*—The bill includes \$856,000, a reduction of \$7,000 from the request, and an increase of \$14,000 over the amount appropriated for 1964. The reduction represents the amount budgeted for the cost of within-grade promotions. The increase over 1964 is to cover mandatory pay increases under Public Law 87-793.

#### MANPOWER ADMINISTRATION

*Manpower development and training activities.*—The bill includes \$327,906,000, a reduction of \$83,094,000 from the request, and an

increase of \$217,906,000 over the appropriation for 1964. The Committee also considered a request for a supplemental appropriation of \$55,000,000 for 1964. This request has been disallowed, however, the Committee has included language in this paragraph of the bill making the amount of \$327,906,000 available immediately upon enactment. Thus, in effect, this paragraph will provide a supplemental appropriation for 1964, as well as funds for 1965 if the bill is enacted before June 30, 1964.

These recommendations in no way reflect a lack of appreciation of the importance of this program to the national economy, nor are they made with a view to reducing the number of training programs or the number of people who may receive training. The Committee has simply attempted to be realistic in assessing the capacity of the program during the next fifteen months. On February 12, when hearings were held on this portion of the budget, Under Secretary Henning stated, "the approved projects that are at the moment awaiting additional funds for 1964 total \$10,000,000 and would provide an additional 8,500 trainees. We have some \$4.6 million available, and the backlog of pending projects will increase greatly in the remaining weeks." Thus, on February 12, there was a net unmet need for \$5.4 million. On April 1, the fund requirements for the backlog of pending projects had increased to \$19.8 million, and the funds on hand had decreased to \$2.8 million, or a net deficit of only \$17 million. On the basis of these figures it appears to the Committee that considerably less than \$55,000,000 in supplemental funds will be required for 1964. Since the 1965 budget was based on reaching this higher level in 1964, it would seem that the 1965 budget is somewhat over-optimistic.

Included in the budget were funds aimed at increasing the number of permanent Federal positions by 170. The Committee recognizes that the expanded program will require some increase in Federal employment, however, the hearings and material submitted to the Committee fell far short of justifying an increase of this magnitude. The Committee has allowed funds for an increase of 85, or half of the increase requested. While the details of applying this reduction are left to the Department, it appears that a somewhat more than mathematically proportionate share could be applied to the Office of Manpower, Automation, and Training.

*Area redevelopment activities.*—The bill includes \$8,500,000, a reduction of \$500,000 from the request, and the same amount as was appropriated for 1964.

*Trade adjustment activities.*—The bill includes \$344,000, a reduction of \$1,000 from the request, and an increase of \$194,000 over the amount appropriated for 1964. The small reduction represents the amount requested for the cost of within-grade promotions. The increase over 1964 is primarily for the purpose of assisting in tariff negotiations. The Trade Expansion Act of 1962 provides that the Secretary of Labor will furnish labor market and employment information and advice regarding the negotiation of trade agreements; will make determination of industrial injury resulting from increased imports due to tariff concessions; and will determine the nature of adjustment assistance to remedy such injuries. These activities have been carried on at a minimal level in 1964. This increase is required if the Department is to adequately carry out its responsibilities in connec-

tion with the intensification of international trade negotiations expected during the next year.

*Salaries and expenses, Bureau of Apprenticeship and Training.*—The bill includes \$5,541,000, the amount of the budget request, and an increase of \$81,000 over the appropriation for 1964. Since this increase falls short of covering mandatory pay costs, it will be necessary for the bureau to reduce slightly the employment level being maintained in 1964.

*Limitation on salaries and expenses, Bureau of Employment Security.*—The bill includes \$13,325,000, a reduction of \$146,000 from the request, and an increase of \$925,000 over the amount appropriated for 1964. The reduction represents the amount budgeted for the cost of within-grade salary advancements. Several language provisions have been dropped from the bill in connection with this appropriation and the following appropriation for grants to states. This is not intended in any way to change the program or activities but is simply to remove language which the Committee found is no longer needed and, in most cases, has not been needed for years.

*Limitation on grants to States for unemployment compensation and employment service administration.*—The bill includes \$455,076,000, the amount of the request, and an increase of \$30,076,000 over the amount appropriated for 1964. In both 1963 and 1964 efficient planning of these activities has been made unusually difficult because of a shortage of contingency funds which made it impossible for the Department to allocate sufficient funds to the states to cover unexpected increases in workload and other factors affecting costs of operation. In an effort to remedy the situation for 1965, the Committee has increased the amount of the total funds which are set aside for contingencies from the \$15,000,000 budgeted for 1965, and appropriated last year, to \$30,000,000.

The Committee feels that priority in use of these funds for employment services must be for the placement of the unemployed. The Committee has received some complaints that such a priority has not been followed in all cases.

For many years the appropriation has included contingency fund language as follows:

"To meet increased costs of administration resulting from changes in a State law or increases in the number of claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant (or the allocation for the District of Columbia) was based, *which increased costs of administration cannot be provided for by normal budgetary adjustments* (italics provided)."

There has recently been considerable difference of opinion as to what was meant by "normal budgetary adjustments." The contingency fund was established to meet defined, unforeseen costs. However, it was not the intention of Congress that the term "normal budgetary adjustments" should require the curtailment of planned and budgeted programs approved by Congress for the sole purpose of meeting unforeseen added costs; in fact it was to avoid having to do this that was, in large part, the purpose of establishing the contingency fund. Of course, if workload budgeted under any activity goes down after the appropriation for it has been made, the Committee would expect that a budgetary adjustment be made to reduce the

funds. If such funds are required in the same State because of workload of other activities increasing over the amount anticipated in the budget approved by Congress, it would be a normal budgetary adjustment to make the transfer rather than to allocate funds from the contingency fund. If such savings are not needed in the State in which they arise, they should be recovered. The Committee agrees generally with the analysis and conclusions of the Administrator of the Bureau of Employment Security, set forth on pages 497 and 498 of the hearings.

*Unemployment compensation for Federal employees and ex-service-men.*—The bill includes \$126,000,000, the amount of the request, and \$26,000,000 less than the amount appropriated for 1964.

*Compliance activities, Mexican farm labor program.*—The bill includes \$800,000, a reduction of \$70,000 from the request, and \$500,000 less than the amount appropriated for 1964.

*Salaries and expenses, Mexican farm labor program.*—The bill includes \$800,000, a reduction of \$50,000 from the request, and \$500,000 less than the amount appropriated for 1964. Both of the appropriations recommended in connection with the Mexican Farm Labor Program are aimed at carrying the program through December 31, 1964, when the authorization expires, and for expenses of liquidating the program. The Committee has made slight reductions in the amounts budgeted since it will be expected that the program be gradually phased out during the first six months of the fiscal year.

The Committee is quite disturbed that many believe that when the Mexican Farm Labor Program expires, just as many or more Mexican agricultural workers will be brought into this country under the authority of the Immigration and Nationality Act. The Committee asked the Department for certain statistical details concerning the Mexican laborers now being brought in under that Act and placed these statistics in the hearings record (see page 639).

The Committee was amazed at the obvious lack of uniformity in applying departmental policies and regulations. The two regions most affected by the Mexican Farm Labor program are Region VIII and Region X. The statistics furnished by the Department show that of 2,563 requests for permanent entry of agricultural workers under section 212 of the Immigration and Nationality Act, received by the Dallas office which administers the program for Region VIII, 1,422 or 55 percent were approved. This covers the period July 1 through December 25, 1963. During exactly the same period of time, the San Francisco office which administers the program in Region X received 3,177 applications for permanent entry of Mexican agricultural workers and approved 95 or 3 percent. It would therefore appear that in at least one Region, steps are already being taken to circumvent the obvious intent of Congress, and use the Immigration and Nationality Act as a means of continuing the use of foreign agricultural labor as the importation of such labor is reduced under the Mexican Farm Labor Program.

The Committee will expect the Secretary to make a thorough study of this matter and to report to the Committee what he intends to do to avoid this happening.

## LABOR-MANAGEMENT RELATIONS

*Labor-management services administration.*—The bill includes \$7,352,000, a reduction of \$384,000 from the request, and \$98,000 less than was appropriated for 1964. The reduction represents the amount which was budgeted for the Office of Industrial Relations Services which was intended to be established in 1964 by reprogramming funds appropriated for other activities. The Committee realizes that such services are quite important but they are very similar to services rendered by the Federal Mediation and Conciliation Service and the National Mediation Board. The Committee has allowed the full budget request for both the Federal Mediation and Conciliation Service and the National Mediation Board.

*Bureau of Veterans' Reemployment Rights.*—The bill includes \$791,000, the amount of the request, and an increase of \$7,000 over the amount appropriated for 1964.

## WAGE AND LABOR STANDARDS

*Bureau of Labor Standards.*—The bill includes \$3,516,000, a reduction of \$29,000 from the request, and an increase of \$46,000 over the amount appropriated for 1964. The reduction represents the amount budgeted for the cost of within-grade salary advancements.

The Committee was surprised to find activities budgeted by the Bureau of Employment Security for youth employment activities so closely akin to some of the activities of the Bureau of Labor Standards. The Committee is not disapproving of these activities under the employment security programs, in fact this appears to be the logical place for them, however, it is the desire of the Committee that the Secretary take immediate steps to consolidate these activities. Some efficiencies should result from this consolidation which would make the absorption of the relatively small reduction in this appropriation possible with no curtailment of services.

*Women's Bureau.*—The bill includes \$772,000, the amount of the request, and \$13,000 less than the amount appropriated for 1964. The reduction in the budget for this bureau came as a complete surprise to the Committee in view of the additional workload that will result from the initiation of the program of the Interdepartmental Committee and the Citizens' Advisory Council on the Status of Women. However, the Committee was pleased that the director of the bureau testified that they could do a good job with the amount allowed.

*Wage and Hour Division.*—The bill includes \$20,378,000, a reduction of \$150,000 from the request, and an increase of \$1,078,000 over the amount appropriated for 1964. The reduction represents the amount budgeted for the cost of within-grade promotions. The increase is in large part for mandatory salary increases under Public Law 87-793. There is also an increase of 27 positions and \$340,000 for implementation of the provisions of the Equal Pay Act of 1963 which goes into effect in fiscal year 1965.

The Committee was surprised to learn of a change in the program for safety investigations of the public contracts division. The Committee will not condone requests for increases in the future for additional health and safety inspectors or investigators in the public contracts division. The contract use of State agencies for this purpose has been

satisfactory in most cases and has avoided duplication of efforts and costs. The Committee deems the cancellation of these contracts and arrangements ill-advised and wishes to consider it at its hearing next year.

#### EMPLOYEES' COMPENSATION

*Salaries and expenses, Bureau of Employees' Compensation.*—The bill includes \$4,368,000, a reduction of \$33,000 from the request, and an increase of \$93,000 over the amount appropriated for 1964. During the hearings the Committee learned with regret that the director, William McCauley, is planning to retire in the near future. Mr. McCauley has done an outstanding job as director of this bureau for many years. The Committee has long admired the efficiency with which he has administered these activities.

*Employees' compensation claims and expense.*—The bill includes \$52,650,000, the amount of the request and \$1,188,000 less than was appropriated for 1964. The decrease in the direct appropriation is due entirely to an increase in estimated reimbursements from the various Federal agencies. Actually, total costs will continue the gradual increase of recent years.

#### OFFICE OF THE SOLICITOR

*Salaries and expenses.*—The bill includes \$4,857,000, and authorization to transfer \$132,000 from the Unemployment trust fund, the amount of the budget request in both instances, and \$437,000 and \$5,000, respectively, more than the amount appropriated for 1964. The committee will expect that adequate effort be put into activities under the Davis-Bacon Act to assure that it is fully implemented.

#### OFFICE OF THE SECRETARY

*Salaries and expenses.*—The bill includes \$3,198,000, and authorization to transfer \$139,000 from the Unemployment trust fund, a reduction of \$25,000 from the appropriation requested and the same amount as requested by transfer, and an increase of \$929,000 and \$1,000, respectively, over the amounts provided for 1964. The major part of the increase is to finance mandatory pay costs, and the first year rental and related moving, telephone and equipment installation cost for 79,500 square feet of space urgently needed to replace present scattered, sub-standard space facilities which are overcrowded and a source of waste in terms of unnecessary administrative costs. The amount recommended will support eight fewer permanent positions than authorized for 1964 and one less than included in the budget for 1965.

### TITLE II—DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

#### MENTAL RETARDATION

In March, 1955, when this Committee reported the appropriation bill for fiscal year 1956, it included funds to start a program to combat mental retardation. Each year since then the Committee has encouraged the Department to increase its efforts in this field. A good start had been made, and interest had been stimulated, when



President Kennedy appointed the President's Panel on Mental Retardation. The report of that Panel and the legislation that followed it gave the program new impetus. However, there is much more to be done and it is hoped that these activities will be further strengthened and even greater efforts will be made until we find the answers to this really devastating problem.

#### FOOD AND DRUG ADMINISTRATION

*Salaries and expenses.*—The bill includes \$39,200,000, the amount of the request, and an increase of \$3,395,000 over the amount appropriated for 1964. Over two-thirds of the increase is for mandatory costs, mostly annualization of new positions allowed for a part of the 1964 fiscal year. Most of the rest of the increase is for partial implementation of the recommendations of the President's Advisory Science Committee on the use of Pesticides, and to carry out the Kefauver-Harris Drug Amendments of 1962.

*Buildings and facilities.*—The bill includes \$10,875,000, a reduction of \$150,000 from the request, and an increase of \$6,409,000 above the amount appropriated for 1964. All of the funds allowed are for district office and laboratory facilities and additional headquarters laboratory facilities needed to properly carry out the program of the Food and Drug Administration. The \$150,000 which was not allowed was requested for the preparation of a master development plan for the Beltsville site. The Committee has serious doubts concerning the advisability of continuing the rate of expansion of Federal facilities in the Washington area and so has disallowed any funds for planning future development of this site.

#### OFFICE OF EDUCATION

##### LIBRARY SERVICES

The Committee feels that an explanation should be made of why there is no provision in this bill for the library services program.

Public Law 88-269 provided for a greatly expanded library services program. This legislation cleared Congress January 29, by a overwhelming majority. The bill was approved by the President on February 11, with indications that he was strongly in favor of the new program. It is the understanding of the Committee that the Department of Health, Education, and Welfare had a request for funds to carry out this program pending in the Bureau of the Budget at the time the President approved the bill. During the course of hearings the Committee repeatedly inquired, both on the record and off the record, as to the status of this request, and indicated its desire that the request be transmitted to Congress before hearings were completed in order that it might be considered by the Committee and the House. About the only answer that the Committee received was that it was still pending and the Committee's desires would be transmitted to the Bureau of the Budget.

The Committee completed its hearings on March 18. While the Committee put out no press releases concerning it, it was public knowledge for weeks that the plan was to close hearings on that date. Then, five days after the Committee had closed its hearings, the

budget request was transmitted to Congress, obviously too late to be considered by the Committee.

*Expansion and improvement of vocational education.*—The bill includes \$183,296,000, the amount of the request for fiscal year 1965, and \$148,540,000 more than was appropriated for 1964. The Committee also considered a request for a \$60,000,000 supplemental appropriation for 1964. While the Committee has not approved any of this request it has included language in the bill which will make the \$183,296,000 available immediately upon enactment of the bill. While it now appears to be overly optimistic to assume that the bill will be enacted in time for any substantial amount of program activity in 1964, this language will permit the program to move forward in 1964 in case action can be taken faster than now appears possible. At the current time the National Advisory Committee has not been appointed and there is serious question concerning the legality, or at least the propriety, of appointing the Committee before appropriations are available for the program. After the appointment of the National Advisory Committee, it will be necessary for that Committee to meet and agree on regulations for the program, and agree upon a state plan guide. After this step it will be necessary to print the materials for revision of state plans and promulgate the official regulations. Then these materials must be distributed to the state, the states must prepare their state plans and send them to the Office of Education. The state plans must be reviewed for conformity with the state plan guide and the regulations and, of course, in many cases it will be necessary to confer with state officials in order to get these plans into approvable form. It is only after this that payments to the states can begin.

In view of the foregoing, the Committee feels that it would be unfair to lead anyone to believe that this program is likely to actually start operations in the states in fiscal year 1964.

*Higher education facilities construction.*—The bill includes \$463,150,000, \$850,000 less than the amount requested for 1965 for this new program. The Committee also considered a request for a supplemental appropriation of \$266,750,000 for fiscal year 1964. As for the immediately preceding program, the Committee has not allowed any of the supplemental request, but has included language in the bill to make the \$463,150,000 available immediately upon enactment of the bill. The situation with regard to the timing for this program is, for all practical purposes, the same as set forth in the preceding paragraphs regarding the Vocational Education Program. The reduction of \$850,000 from the request is from the amount of \$1,750,000 which was budgeted for technical services to be rendered the program by the Housing and Home Finance Agency. This estimate was based on the program starting in fiscal year 1964 and being in full operation during fiscal year 1965. It is now obvious that there will be very little need for these technical services until well into fiscal year 1965.

Both of these programs represent most significant advances in the field of education. The action taken by the Committee on these supplemental requests is in no way an indication that the Committee doubts this importance or wishes in any way to belittle either program.

*Further endowment of colleges of agriculture and the mechanic arts.*—The bill includes \$11,950,000, the amount of the request, and the same amount as was appropriated for 1964.

*Payments to school districts.*—The bill includes \$359,450,000, the amount of the request, and an increase of \$38,780,000 above the amount appropriated for 1964. The amount included in the bill is the Office of Education's estimate of the sum that will be required to cover 100 percent of entitlements in fiscal year 1965.

*Assistance for school construction.*—The bill includes \$58,400,000, the amount of the request for fiscal year 1965, and an increase of \$34,660,000 above the amount appropriated for 1964. The Committee also considered a request for a supplemental appropriation of \$36,606,000 for 1964. The current appropriation for 1964 is \$23,740,000. As of April 1, none of these funds had been obligated since the carry-over from 1963 was more than sufficient to finance all projects approved to that date. As a matter of fact, the Office of Education had available on the first of April \$43,192,651. While it appears to the Committee to be very doubtful that any additional funds will be needed in fiscal year 1964, language is included in this paragraph of the bill to make the funds available immediately upon enactment.

*Defense educational activities.*—The bill includes \$287,853,000, a reduction of \$37,000 from the request, and an increase of \$37,065,000 above the amount appropriated for 1964. The increase is primarily due to the 1963 amendments to the National Defense Education Act. By far the largest item of increase is \$13,832,000 for contributions to student loan funds. The small reduction recommended is due to an increase of this amount being budgeted for an increase in indirect costs for research projects carried on under grants. Since the Committee has retained the current 20 percent limitation, it has deducted the amounts budgeted for more than this throughout the Department wherever such increases appeared in the budget.

The Committee has not allowed any of the requested supplemental appropriation of \$4,090,000 for 1964. This request was for fellowships and for "guidance, counseling and testing." It obviously is too late in the fiscal year for such funds to be utilized under the most optimistic assumptions with regard to the final passage of this bill.

*Educational improvement for the handicapped.*—The bill includes \$16,500,000, the amount of the request, and an increase of \$2,315,000 above the amount appropriated for 1964. A large part of this program is new, having been authorized by Public Law 88-164, which was enacted in October, 1963. After enactment of this legislation, Congress appropriated a supplemental amount of \$11,685,000 for the program. Most of the increase in the appropriation for 1965 is simply to annualize the 1964 supplemental and provide for a continuation of the level of operations which will be achieved in 1964.

*Cooperative research.*—The bill includes \$15,840,000, a reduction of \$1,160,000 from the request, and an increase of \$4,340,000 above the amount appropriated for 1964. Most of the increase provided will be required for the continuing costs of projects started before the beginning of fiscal year 1965. However, approximately \$1,000,000 will be available for program increases largely for research and development centers. In this connection the Committee believes that the Commissioner of Education should define the areas in which sustained research is needed and choose, with the advice of an appropriate committee, the institutions whose resources and faculty commitments show greatest promise. \$160,000 of the reduction

represents the approximate amount budgeted for an increase in the allowance for indirect costs of research projects.

The Committee has been very favorably impressed with the excellent results of this research program. Some of the most outstanding are in the field of mental retardation. One of the recent very worthwhile findings is that mentally retarded children can learn reading many times faster by using teaching machines than by attending ordinary reading classes. This was a conclusion reported by the University of South Florida at Tampa, Florida, after a two-year study under the Cooperative Research Program.

Sixty-six children in Florida public schools or in institutions for the mentally retarded, in eight weeks using teaching machines, learned from two to six times as many words as they did in four years under the old classroom methods. They far surpassed 33 children of the same mental ages—5 to 9—who continued to use the old classroom methods. Both groups were taught approximately 15 minutes a day. The machine-taught children did nearly as well as other children who had been given 15 minutes a day individual instruction—something that is practically impossible under present day conditions with enrollments steadily mounting. This means that with the help of a teaching machine one teacher can provide as much training in 15 minutes for 66 retarded pupils as she could in separate 15-minute sessions with 66 different pupils—more than 15 hours of work.

Results such as this certainly justify continued support of this program.

*Educational research (special foreign currency program).*—The bill includes \$500,000, the amount of the request, and the same amount as was appropriated for 1964.

*Foreign language training and area studies.*—The bill includes \$1,500,000, the amount of the request, and the same amount as was appropriated for 1964.

*Salaries and expenses.*—The bill includes \$18,599,000, a reduction of \$1,100,000 from the request for fiscal year 1965, and an increase of \$3,838,000 above the amount appropriated for 1964. The Committee also considered a request for a supplemental appropriation of \$960,000 for 1964. None of this request has been allowed, however, there is included in the bill language to make the \$18,599,000 available immediately upon enactment. This will allow the Office of Education to start recruiting personnel necessary to administer the new programs, particularly the new vocational education program and the program for higher education facilities construction, as soon as the bill becomes law. The amount recommended will provide for 1,409 positions compared with 1,509 requested and 1,183 authorized for 1964. The increase is primarily to carry-out new legislation.

#### VOCATIONAL REHABILITATION ADMINISTRATION

*Grants to states.*—The bill includes \$100,100,000, the amount of the request, and an increase of \$11,400,000 above the amount provided for 1964. As in each of the past two years the Committee was told that the amount budgeted under the special allocation language included in the bill will provide full matching of available state funds under the grant formula set forth in the basic legislation. It was recently called to the attention of the Committee that this was not the case in 1963 and it appears that it will not be the case in 1964.

It is the hope of the Committee that whether this is a weakness in budgeting or a weakness in the regulations governing the allocation of funds, that it will be corrected in the future.

In past years the Committee has expressed disappointment that the program has not progressed at the rate set forth as goals when the Act was amended by the 83d Congress, however, heartening progress has been made during the immediate past. In August, 1962, less than two years ago, President Kennedy, in a simple but moving ceremony, marked the crossing of the 100,000 mark in annual rehabilitations. One year later, in fiscal year 1963, the program rehabilitated over 110,000 persons. We are expecting an increase of about 10% this fiscal year and the budget for 1965 was based on rehabilitating 133,000 disabled persons. Thus, in 1965, 3 years after the ceremony with President Kennedy, we will have attained one-third of the second 100,000 toward the goal of 200,000 persons rehabilitated annually.

A study is now being planned to take two comparable counties and give one everything that is needed to do a complete job in vocational rehabilitation while the other continues to get only the services regularly available. These two counties will be carefully analyzed in detail to show the differences in costs of the program and the differences in results, both human and economic. This is going to give answers to many questions that have gone unanswered or inadequately answered for many years. The Committee is pleased to see a study such as this finally being made.

*Research and training.*—The bill includes \$40,565,000, a reduction of \$55,000 from the request, and an increase of \$5,755,000 above the amount appropriated for 1964. The Committee continues to be impressed with the significant accomplishments of the special research and training center program and with the opportunities these centers provide for advancing the rehabilitation program. It is hoped that the Vocational Rehabilitation Administration will utilize about \$200,000 of this appropriation to start, on a developmental basis, two additional medically oriented research and training centers in parts of the country where no such program now exists.

The small reduction recommended represents the amount budgeted for increasing the allowance for overhead on research grant projects.

*Research and training, (special foreign currency program).*—The bill includes \$2,000,000, the amount of the request, and the same amount as was appropriated for 1964.

*Salaries and expenses.*—The bill includes \$3,140,000, the amount of the request, and an increase of \$235,000 above the amount appropriated for 1964.

#### PUBLIC HEALTH SERVICE

*Buildings and facilities.*—The bill includes \$21,512,000, the amount of the request, and an increase of \$5,201,000 above the amount appropriated for 1964.

The Committee has disallowed the request for \$1,500,000 to plan environmental health facilities. As has happened in connection with past requests for this facility (or these facilities, as the case may be) the Committee was presented with a considerable amount of confused and indecisive information. At the time the Public Health Service testified on this item, they were not able to tell the Committee where the facility or facilities would be located if Congress appropriated the funds. It was not until the last day of the Committee's hearings

with Health, Education and Welfare officials that the Secretary presented anything approaching a definitive program.

The Committee has approved \$2,500,000 for the Midwest Water Pollution Control Laboratory at Ann Arbor, Michigan. The proponents of this laboratory sought to have funds appropriated for 1964. This was not done because the Public Health Service testified that planning could not proceed in time to use construction funds in 1964. However, informal assurances were given that this would be in the budget for 1965. It is the understanding of the Committee that such a proposal was in the budget prepared by the Public Health Service but was not approved in the final budget submission to Congress. Certainly this laboratory is going to be built and the Committee can see no good reason for delay in the appropriation.

The Committee has reduced the funds budgeted for the remaining projects by \$1,000,000. Practically all of the building projects in the Public Health Service are running somewhat behind schedule and the Committee feels certain that this additional reduction can easily be absorbed.

#### COMMUNITY HEALTH RESEARCH

The report on research in community health by the Bureau of State Services has been received by the Committee and studied with some care. The report presents a well stated and comprehensive view of the scope and significance of research in community health problems. The Committee notes, however, that a fair potential remains for overlap with NIH research activities. The distinction between the role of NIH and the Bureau of State Services in respect to disease research is particularly unclear. The Committee therefore reiterates its concern that community health research be concentrated on the distinctive problems of community health services and that the programs of NIH be looked to for the basic solution of problems relating to the cause, diagnosis, treatment and prevention of disease.

*Accident prevention.*—The bill includes \$4,163,000, an increase of \$340,000 above the amount requested, and the same amount as was appropriated for 1964. The Committee is at a complete loss to understand the reason for the substantial reduction in the budget, below the current appropriation. Certainly this is no economy measure, for the economy of the nation is saved many times the cost of this program by its results. The Committee hearings on this subject both with government witnesses and public witnesses should be convincing to any fair minded person. An excellent summary of this aspect of the program appears in the Public Health Service hearings beginning at the bottom of page 108.

*Chronic diseases and health of the aged.*—The bill includes \$53,722,000, a reduction of \$21,000 from the request, and \$1,932,000 less than the appropriation for 1964. The \$21,000 reduction is the amount budgeted for increased overhead costs on research projects. The main reason for a decrease below the 1964 appropriation is the non-recurring mental retardation planning grant program for which \$2,200,000 was appropriated for 1964.

*Communicable disease activities.*—The bill includes \$29,828,000, a reduction of \$21,000 from the request, and an increase of \$1,423,000 above the amount appropriated for 1964. The reduction from the request is the amount budgeted for increased overhead on research projects. The significant increase over the current level of operations

is \$2,189,000 for the second phase of the *Aedes aegypti* mosquito eradication program. This mosquito is the carrier of yellow fever and also dengue fever of which 28,000 cases occurred in the United States during the last year, mostly in Puerto Rico. It has been proven in several places in South America and the Caribbean area that it is practical to eradicate this mosquito. There is an international agreement, of which this program is a part, to eradicate it completely in the Western Hemisphere.

*Community health practice and research.*—The bill includes \$22,575,000, a reduction of \$38,000 from the request, and a reduction of \$7,033,000 below the amount appropriated for 1964. The reduction from the request represents the amount budgeted for increasing the allowance for overhead on research projects. The net reduction below the 1964 appropriation is accounted for by several small adjustments and three of significance: (1) a reduction in training due to the expiration of legislative authorization for the public health traineeship program, which amounts to \$4,195,000; (2) a reduction of \$4,000,000 in formula grants to states for general health services; and (3) an increase of \$1,000,000 for grants for health services to migratory workers and their families.

*Control of tuberculosis.*—The bill includes \$10,364,000, an increase of \$4,000,000 above the request, and an increase of \$3,536,000 above the amount appropriated for 1964.

The budget for 1965 actually reduced this activity approximately one half million dollars below the 1964 level. If there ever was a proposal that was penny wise and pound foolish this is it. This is borne out by testimony both of officials of the U.S. Public Health Service and public witnesses, and in the paragraphs which follow the economics of the situation are pointed out by the Committee.

Last year the Committee again expressed its concern over the apparent lack of effectiveness of efforts to control tuberculosis in the United States. Although tremendous progress has been made during the last twenty years, the Committee has noted that over the past few years the death rate has settled onto a persistent plateau, and that there is a definite tendency for the rate of new cases to follow a similar trend. The Committee realizes that tuberculosis poses a most difficult problem because of its lack of symptoms and its chronicity, but much greater progress is possible.

Because of this conviction, the Committee requested the Surgeon General to appoint a Task Force composed of experts to make an independent study of the tuberculosis problem in the United States and to make recommendations for a program of elimination if they found such a program would be practical. Such a Task Force, chaired by Doctor John D. Porterfield, Coordinator of Medical and Health Sciences, University of California, was appointed. Their recommendations, resulting from an exhaustive study, were submitted to the Surgeon General and, by him, to the Committee. The Committee was impressed by the product of this study and by the recommendations. The Task Force proposes a program which would greatly accelerate tuberculosis control efforts in the United States. It is a practical program and calls for increased activity not only by the U.S. Public Health Service but by State and local health agencies, voluntary tuberculosis associations, and by the health professions.

Highest priority would be placed upon treatment of persons who have active tuberculosis. This logically will curtail spread of this

most serious communicable disease. Secondly, the attack would be centered upon persons at greatest risk of developing active tuberculosis and of finding undisclosed cases of the disease. This would be accomplished through tuberculin testing of all children entering school and again at age 14, the examination of all school teachers and employees, and the routine x-raying of all patients entering public hospitals which serve areas of 250,000 population or more, with the medical followup of all leads thereby provided. Prophylactic treatment would be provided where indicated.

The Task Force further recommends that there be an immediate increase in the training of medical and ancillary personnel needed to provide the technical and scientific competence required by this program. It further urges an increase in operational research activities of the Public Health Service such as that to provide new intelligence on the epidemiology of tuberculosis.

To illustrate specific accomplishment, the Task Force predicts, if its recommended program is adopted, a decline from the current 10,600 relapsed cases of tuberculosis to only 400 such cases ten years from now. Similarly, new active cases would be reduced from the present 52,800 to a projected 21,600 at the end of this ten year period.

A most persuasive justification for the ten-year program was testimony relative to the financial savings which would accrue if the recommended program is instituted. Over a period of ten years, \$1¼ billion would be saved in hospital costs alone. When the earnings of persons kept from being infected with tuberculosis are added, even at a modest average of \$2,000 per person, per year, an additional ¼ billion dollars saving would result.

Costs for tuberculosis hospitalization are now approximately \$335 million per year. The program the Task Force recommends would reduce this cost to an approximate \$96 million in the 10th year, a saving of \$239 million. Not to invest the funds necessary to carry out this program, which would be even less money over a ten-year period than can be saved in that 10th year alone would, in the opinion of the Committee, be sheer financial folly and the essence of false economy.

The report is quite recent and the U.S. Public Health Service has not yet had time to carry out the necessary planning with the States and voluntary organizations to assure a well coordinated program. Therefore, it may be overly optimistic to assume that activities in 1965 can be carried out at the full level set forth for the first year of the 10-year program, but certainly much more can be done than was provided for by the grossly inadequate budget presented to the committee. The increase of \$4,000,000, of which \$1,000,000 is for formula grants and \$3,000,000 is for project grants, will bring the appropriation to within about \$5,000,000 of the total recommended for the initial year of the program. It is hoped that by fiscal year 1966 the Public Health Service will be prepared to fully carry out the second year of this most important program.

*Control of venereal diseases.*—The bill includes \$10,030,000, an increase of \$314,000 above the request, and an increase of \$442,000 above the amount appropriated for 1964. In its report three years ago the committee directed the Public Health Service to make a thorough restudy of this program and be prepared with recommenda-



tions for a program that would result in the eradication of syphilis. A task force was selected to make this study under the Chairmanship of Dr. Leona Baumgartner, Commissioner of Health, City of New York. There was practically universal agreement among experts in this field that the task force submitted an excellent report and recommendations. The committee added \$1,000,000 over the budget request for fiscal year 1963 in order to get started on this program. The budget for 1964 continued this program. The committee is at a complete loss to understand why the budget for 1965 cuts back from the task force recommendations, just at the time when the program is beginning to be effective in reversing trends of recent years toward ever increasing incidence of this disease. The recommendation of the committee is simply to restore this reduction.

*Dental service and resources.*—The bill includes \$6,651,000, a reduction of \$11,000 from the request, and an increase of \$433,000 above the amount appropriated for 1964. The reduction represents the amount budgeted for increased overhead on research projects.

*Nursing services and resources.*—The bill includes \$4,031,000, a reduction of \$24,000 from the request, and a reduction of \$7,186,000 below the amount appropriated for 1964. The reduction from the request represents the amount budgeted for increased overhead allowances on research grants. The reduction below 1964 is accounted for by a decrease of \$7,325,000 due to expiration of legislative authority for the professional traineeship grant program.

*Hospital construction activities.*—The Bill includes \$23,346,000, the amount of the request, and a reduction of \$207,923,000 below the amount appropriated for 1964. Several comparative transfers and several program increases and decreases were taken into consideration in arriving at the budget for this activity. These are set forth in detail in the justification material which was submitted to the committee and printed in the hearings record beginning on page 309 of Part 2 of the hearings with the Department of Health, Education and Welfare. The major changes are a reduction of \$220,000,000 due to expiration of construction authority under parts C and G of the Public Health Service Act (the Hill-Burton Program), and an increase of \$10,000,000 to initiate the program of construction of facilities for the mentally retarded under Part C of Title 1 of the Public Health Service Act. The latter program was authorized by the Mental Retardation Facilities and Community Mental Health Center Construction Act.

*Health professions educational assistance.*—The Bill includes \$85,782,000, the amount of the request for the initiation of this new program. The committee also considered a request for a supplemental appropriation for fiscal year 1964 in the amount of \$30,390,000. The situation here is quite similar to that which prevails with regard to the expansion and improvement of vocational education and the higher education facilities construction program. Before funds can be obligated for projects, there are several steps which must be taken: application forms, instructions, and regulations must be prepared; the National Advisory Council on Health Professions must review the proposed regulations and procedures and recommend priority principles for the selection of projects; review panels composed of authorities in professional fields eligible under the program must meet to be

oriented, and to make arrangements for review of applications and the conduct of site visits to selected schools; site visit teams will begin visiting schools and submitting their recommendations shortly thereafter; review panels will then begin meeting to review applications and recommend the relative priority of projects to be considered by the Advisory Council; then the Advisory Council will meet to recommend projects for approval to the Surgeon General. It is only after all of these steps that the Surgeon General may approve projects and begin obligating funds for them. In view of this, the committee does not feel that it is logical to recommend any supplemental appropriation for 1964, however, language has been included in the bill to make the \$85,782,000 available immediately upon enactment of the Bill. Thus if it should happen that a small amount of funds could be obligated in 1964, the recommendations of the committee would permit this.

*Environmental health sciences.*—The bill includes \$9,350,000, a reduction of \$1,540,000 from the request, and an increase of \$5,126,000 above the amount appropriated for 1964. The committee also considered a request for a supplemental appropriation of \$1,200,000 for increased studies on pesticides. While the committee recognizes the importance of this part of the program and has provided substantial increases for it in 1965, the supplemental is not included in the bill simply because of the fact that it does not appear that the funds would be available in time to carry out the purposes for which it was requested. The committee will expect that the major part of the increase provided for 1965 will be utilized for research grants and direct research work on pesticides.

*Air pollution.*—The Bill includes \$20,930,000, a reduction of \$1,060,000 from the request, and an increase of \$7,976,000 above the amount appropriated for 1964. The committee also considered a request for a supplemental appropriation of \$2,190,000 for fiscal year 1964 aimed at beginning work under the new Clean Air Act. In view of the time element the committee has not allowed the supplemental appropriation requested but has included language in the Bill which will make the \$20,930,000 available immediately upon enactment. The increase provided for 1965 is primarily to implement the Clean Air Act passed by the last session of Congress. The major items of increase requested were \$4,400,000 for control programs authorized in that Act, and \$765,000 for surveys and demonstrations which is also a new activity authorized by the Clean Air Act.

*Environmental engineering and sanitation.*—The Bill includes \$9,117,000, a reduction of \$70,000 from the request, and an increase of \$108,000 above the amount appropriated for 1964. The reduction from the request is the amount budgeted for increased overhead allowances in connection with research grants.

*Occupational health.*—The Bill includes \$5,163,000, a reduction of \$32,000 from the request, and an increase of \$173,000 above the amount appropriated for 1964. The reduction is the amount budgeted for increased allowance for overhead costs on research grants. The increase over 1964 is for mandatory cost increases and for support of research projects started prior to fiscal year 1965.

*Radiological health.*—The Bill includes \$19,598,000, a reduction of \$42,000 from the request, and an increase of \$453,000 above the

amount appropriated for 1964. The reduction is the amount budgeted for increased overhead allowance on research grants. The increase over 1964 is the result of several increases and decreases, none of which are relatively large. The significant item of increase is \$500,000 for the state program development grants. These grants must be matched at least 50-50 by the states.

*Water supply and water pollution control.*—The Bill includes \$34,239,000, a reduction of \$71,000 from the request, and an increase of \$5,259,000 over the amount appropriated for 1964.

We have a relatively fixed volume of water, but with population expansion and industrial expansion there is an ever-increasing demand for water. It is increasingly apparent that we can meet this only by using the same water over and over again. This, in turn, is possible only if we continue and expand our water pollution control efforts. To this end the committee has approved a budget which provides increases for practically all activities carried out in this field by the Public Health Service. The largest increase is \$1,838,000 for expansion of the comprehensive studies of major water basins. These studies are an absolute necessity if we are to have wise, comprehensive planning and the development of long-range plans for providing a regulated supply of clean water for all purposes.

An amount of \$1,000,000 is provided for the demonstration of acid mine drainage control and abatement. This will provide an increase of approximately \$750,000 for this activity but about \$500,000 less than was requested. While the committee recognizes the importance of this demonstration project, it feels that a disproportionate share of funds for demonstration projects has been budgeted for this. For instance, for the entire activity "Demonstration grants" only \$625,000 was budgeted. The committee recommends that all of the reduction in the acid mine drainage control and abatement program be applied to demonstration grants activities, and that priority be given to projects to demonstrate the possibility and practicability of reuse of water.

*Grants for waste treatment works construction.*—The bill includes \$90,000,000 and an allotment base of \$100,000,000, the amounts of the budget request, and the same amounts as allowed for 1964.

*Hospitals and medical care.*—The bill includes \$52,710,000, the amount of the request, and an increase of \$2,748,000 above the amount appropriated for 1964.

The committee has eliminated the special language provision which would authorize a charge of \$40 a day to the special study patients who are admitted to the Public Health Service hospitals for research and training purposes. Special study patients have been admitted to the hospitals for more than 50 years, as authorized by section 301 (f) of the Public Health Service Act. They are essential to the research and training programs which are carried on in the hospitals. Since most of these patients are medically indigent, the imposition of a daily fee of \$40 could only result in the elimination of the patients and serious damage to the research and training programs. If the policy of charging patients were extended to the Clinical Center at the National Institutes of Health the effect on the NIH intramural research program would be catastrophic. The committee is unable to

discern any reason for treating the special study patients in the Public Health Service hospitals differently from those in the Clinical Center.

*Foreign quarantine activities.*—The bill includes \$6,851,000, the amount of the request, and an increase of \$395,000 above the amount appropriated for 1964.

The Committee has noticed many peculiarities in the budgeting this year. One of the most peculiar is a relatively small item in connection with this part of the budget. The original amount for foreign quarantine activities in the 1965 budget was \$6,893,000 which was to provide for mandatory cost increases and four additional positions for examination of visa applicants in foreign countries. Formal justifications were submitted to the Committee and oral testimony was presented to the Committee justifying in detail the amount of that request. Then, just before the Committee's hearings were closed, a budget amendment was sent to Congress which reduced the amount of this budget to \$6,851,000, and not only reduced the increase in the number of positions, but actually reduced the number to one position less than is available for 1964. The Department has submitted no justification material to the Committee in connection with the off-again part of this on-again-off-again budget.

#### NATIONAL INSTITUTES OF HEALTH

Again this year, the Committee studied with special attentiveness the appropriation requests for the National Institutes of Health. For each disease or other research program area, the Committee reviewed research progress and 1965 plans with the Director of the pertinent Institute. Many significant research gains were reported to the Committee. Among these:

Remission rate for children with childhood leukemia increased to about 90 percent, with increases also in the periods of remission and number of five-year survivals.

A 2.1 percent decline in the average population of State and County mental hospitals during 1963—the eighth year in a row that there has been a decline. The 1963 drop represents an annual savings to taxpayers of about \$12 million.

Increasing evidence of viral causation of cancer—with at least the possibility, therefore, of eventual control through vaccines.

Promise of new understanding of aging phenomena and associated disease processes—including possibly cancer—through studies of growth promoter ("promine") and growth retarder ("retine"), found in the thymus gland by Nobel prize winner Albert Szent Györgyi.

Undefined but obviously tremendous research potential through synthesis of the benzene molecule—nature's most common organic building block—long considered an impossible chemical achievement.

Synthesis of a biologically active, artificial insulin molecule, that should prove an invaluable tool for studying insulin action in diabetes.

Rapidly intensifying research in molecular biology—quite possible the most active and exciting research area in all science

today—with many contributions to knowledge of fundamental life processes, including the way characteristics are passed from generation to generation.

More extensive reviews of research gains will be found in this report under each appropriation, as well as in the 640 page volume of hearings.

#### CHARACTER OF THE BUDGET

The budget for the Institutes for 1965 is the most conservative budget submitted to Congress in recent years. In many areas it is not just a hold-the-line budget but is actually cutting back.

Appropriation requests for five out of nine Institutes show an actual reduction in the number of fellowships, relative to 1964 support levels. For three of the remaining four Institutes, the 1964 level is maintained in 1965; and the final Institute shows a small increase in number of fellowships, but the same funding level. The Committee notes that for the past two fiscal years, appropriation estimates for NIH training programs have stressed trained manpower needs for expanding mental health programs, particularly in service areas. The Committee fully supports this effort but is concerned about equally urgent shortages of research manpower, particularly in program areas of Child Health and Human Development, Allergy and Infectious Diseases, and Arthritis and Metabolic Diseases. The Committee is mindful of the need to double medical research manpower over the decade of 1960 to 1970, as set forth in the Manpower Report submitted to the Committee two years ago. The provision for research training in the requests presented to the Committee this year hardly seems consistent with that important program goal.

There are no significant increases for the research resource programs of the Division of Research Facilities and Resources. Since there is abundant testimony that these resources are the key to further progress in a number of research areas, the Committee does not understand the neglect of this program in the 1965 request.

Most recent research grant projections by NIH for non-competing continuations for 1965 exceed the official budget figure by substantial amounts well in excess of \$10 million. Since non-competing continuations represent an advance commitment against grant funds—and must be paid first—underbudgeting for this category cuts into funds for all other grant purposes, including important new programs. The Committee is concerned by the size of this discrepancy and its potential impact on the ability of NIH to produce an effective program within the dollars provided for grants in the 1965 Budget.

For these programs that represent the vanguard of developments in medical research and provide leadership to the world, the budget for 1965 must be viewed as disappointing. Generally, in the appropriation requests, the Committee found little or no forward movement in these important programs. An unduly mechanical approach appears to have dominated the executive determination of individual program allowances. There is little evidence of the careful identification of current needs and opportunities in each research area that this Committee should receive as the basis for NIH program requests.

## GRANTS MANAGEMENT

The Committee is continuously concerned with the effectiveness of PHS grants management and was pleased to note the report of March 19 by the Committee on Science and Public Policy of the National Academy of Sciences entitled "Federal Support of Basic Research in Institutions of Higher Learning." In effect, this distinguished group of scientists warmly endorses most of the concepts and policies followed by NIH in the grants management field. However, the Committee reiterates its admonition of last year that the Public Health Service exercise a high degree of vigilance that its actions not diminish the basic independence and integrity of the institutions of higher learning, and the essential conditions of scientific freedom.

The Committee is interested in the PHS proposal to delegate to certain grantee institutions the approval authority on minor grants administration details, and will want to be kept informed of how well this policy is working on a trial basis.

*General Research and Services.*—The Bill includes \$162,959,000, a reduction of \$756,000 from the request, and \$910,000 from the amount appropriated for 1964. However, \$9,646,000 of the 1964 appropriation was transferred to the new Institute of Child Health and Human Development, so, on a comparable basis the amount recommended represents an increase of \$8,736,000. The reduction from the request is the amount budgeted for increasing the allowance for overhead costs of research projects.

This appropriation supports general, noncategorical operating programs administered under three NIH components: the National Institute of General Medical Sciences, the Division of Research Facilities and Resources, and the Office of International Research.

The National Institute of General Medical Sciences administers NIH extramural efforts in research and training for an ever-growing range of science disciplines recognized as basic to biology and medicine. These programs were initially the responsibility of the Division of Research Grants. In 1958, their importance was recognized by their aggregation into a Division of General Medical Sciences; and in 1962, as a result of Congressional action (PL 87-838), institute status equal to that for categorical programs was attained.

The Committee has always found the programs and activities supported in this area particularly fruitful in research gains. The Committee was pleased to hear that this past year was no exception. A few of the recent accomplishments by grantees of this institute are:

A growth promoter (promine) and a growth retarder (retine) were found in the thymus gland, by Nobel prize winner Albert Szent-Györgyi, working at the Marine Biological Laboratory, Woods Hole, Massachusetts. An age-associated change in concentration of retine and promine may account for the more frequent appearance of cancer in older individuals.

The synthesis of nature's most common organic building block (benzene) is the culmination of three years' work by Dr. Eugene Van Temelen of Stanford University and Dr. Socrates Pappas, now of Brandeis University. This achievement has tremendous research potential, for the new molecule contains higher energy, is less stable and so combines with other molecules more easily than natural benzene.

Another Nobelist, Dr. Joshua Lederberg, working on processes of exchange of hereditary material in bacteria, has succeeded in producing many hybrids of a common bacterium. This work—in which he was associated with Dr. P. H. Mäkilä of the University of Helsinki, Finland—has not only genetic importance, but value for study of metabolic processes and disease causation in general.

One of the conspicuous program deficiencies noted by the Committee is in toxicology and pharmacology research. A year ago, this was identified to the Committee as an area requiring high priority development, both for research and for associated training. Though this priority continues, the Committee finds—as of today—that no practical progress in programming has been made. The need identified to the Committee is for a revivification of the whole field of basic research and training in pharmacology and toxicology, to determine and to understand the biological effects of active chemicals, particularly in low level exposure over long periods of time, as happens with many drugs, pesticides and other common chemicals. Such research would underly and support, but need not duplicate or overlap, research on the effects and control of grosser environmental contaminants, being studied under environmental health programs of the Bureau of State Services. It would supply basic knowledge important to the control programs of the Food and Drug Administration, providing an insight into drug toxicity over prolonged periods of use and on possible genetic effects of such drug use.

The problem with this program, as explained to the Committee, is that it requires the coordinated effort of several university components working in a new arrangement, as well as construction of special facilities. Because of special organizational arrangements, and the high construction and operating costs of required research facilities, university or other usual NIH grantees cannot be expected to participate in the research costs according to the usual pattern; nor does NIH have the legislative authority to pay full construction and operating costs of required research facilities. The development of research programs and supporting facilities, and the designing of research protocols and methodology, will require creative research talents of the highest order, working in a new framework.

The Committee was advised that expeditious action in this area will require construction and operation of one or more of these research facilities under contract, with full costs paid by the Government. If this is the case, the Committee expects that the Public Health Service will initiate requests for the necessary legislative authority to get this program moving.

For the Division of Research Facilities and Resources, which was established in July 1963, the Bill provides the amount requested, a total of \$44,838,000, representing an increase of \$3.9 million over the estimated operating level for 1964. The breakdown by type of facilities is set forth in the succeeding paragraphs.

For General Clinical Research Centers, an increase of \$539,000. The Committee understands this will allow for the planned expansion of several of the best existing units, as well as for 5 new centers. There are now 73 approved centers, mainly associated with medical schools, with an eventual total of 914 beds. Fifty-six of the centers

are already operational and facilities for the others are being readied. The special requirements of clinical research often involve complex alteration of the bed space to be utilized. On the basis of testimony received, the Committee is convinced that this program has been outstandingly effective in upgrading the quality and productivity of clinical research across the nation.

For the six regional primate research centers, plus one national Primate Conditioning Center, the Bill provides \$7 million, an increase of \$1.3 million over the 1964 operating level. The increase will support fuller scale operation of the centers, which all have programs under way, though construction of facilities has been completed for only one of them.

For Special Research Resources, an additional \$2.515 million is provided for 1965, making the program total \$8.2 million. This increase does not expand the program, but meets higher operating costs of existing grant supported resources. Currently the program supports 22 computer resources, one regional biomedical technology development resource, and one regional enzyme center. Numerous unmet resource needs were identified to the Committee during the hearings. These include resources for bio-instrumentation, scientific and technical information processing, steroid methodology and analysis, cell and tissue culture, and tissue and organ transplantation. The Committee again notes that the full development of this program may require additional legislative authority in construction and contracting.

For general research support grants—which are administered by this Division though funded through individual institute appropriations—the Bill provides \$40 million, the amount requested. This increase of \$5 million over the 1964 level will permit extension of the program to additional eligible institutions. Testimony received by the Committee indicates that this program, now in its third year, is meeting its planned objectives of providing institutions, active in health research, with an increased measure of control over the quality, emphasis and direction of their own research activities. The Committee will expect at the completion of the third year of this program a comprehensive assessment of its operation and the results achieved.

For the Office of International Research, the Bill includes approximately \$5½ million, the amount necessary to continue these activities at about the 1964 program level. These funds will support, at the 1964 level, 5 International Centers for Medical Research and Training as well as the program for international postdoctoral fellowships. In direct operations, there are minor increases in administration and in the international research career development program for Public Health Service Commissioned Officers.

The Committee is keenly concerned for the future of these important international research efforts which appear to be endangered by national policy decisions on international balance of payment problems. If too mechanical an approach is taken in trying to reduce “gold drain” problems, arbitrary, year-by-year reductions in overseas research funds will soon eliminate these invaluable extensions of our domestic research efforts. The Committee believes that it would be inexcusable for the United States to surrender the world leadership it



now holds in this area. The urgency and evident complexity of our major disease problems clearly demand that our scientists be denied no insights they might derive from ethnic, climatic, dietetic, behavioral and other ecological factors, studied in other countries. The ability to draw on the best scientific minds and best research ideas, irrespective of geography, is an important advantage that must not be thrown away lightly. Unless present trends are reversed, this small but important medical research program will have been sacrificed in the name of national fiscal policy; with no prospect, moreover, that this sacrifice will materially improve our underlying problem of imbalances.

*Division of Biologics Standards.*—The Bill includes \$4,969,000, the amount of the request, and an increase of \$182,000 over the amount provided for 1964. The small increase is almost entirely for added mandatory personnel costs.

The Committee is impressed by the quiet competence of this Division and its demonstrated ability to develop control programs at the growing edge of science, in terms of new vaccines and biologics. The Committee commends the active role the Division has played in the development and study of vaccines and blood products. Notable among these have been the studies of measles vaccine in the Republic of Upper Volta, West Africa, in connection with which Division scientists demonstrated that live measles, smallpox and yellow fever vaccines can be safely and effectively inoculated by the jet injector "gun" into susceptible infants. Meanwhile, epidemiological information to determine the success of the measles vaccine in controlling the disease is now being assembled for study. Influenza vaccine poses problems because of the propensity of the viruses to change. The Committee noted that the Division continues on the alert to detect such changes so as to be prepared for any need to change the components of the vaccine. Cholera has been unusually widespread in Southeast Asia for the past several years. The organisms found in the recent outbreaks differ somewhat from the classical cholera vibrios, a change which may have some bearing on the efficacy of cholera vaccine. The Division is currently studying both the effectiveness and the toxicity of cholera vaccines, with a view to determining whether present potency and safety requirements need revision. Other vaccines currently under study are typhus and pertussis (whooping cough). Broad-based, comprehensive research directed toward improvement of testing procedures for the control of biological products derived from human blood are being continued.

*National Institute of Child Health and Human Development.*—The Bill includes \$42,696,000, a reduction of \$456,000 from the request, and an increase of \$8,696,000 above the amount available for 1964. During 1964 these activities are being financed by authorized transfers in the amount of \$34,000,000 from other NIH appropriations. The reduction of \$456,000 is the amount budgeted for increased overhead allowances for research grants. In comparison with the 1964 program level, the request for 1965 envisages small reductions in numbers of training grants and fellowships. In research grants, an increase of \$9 million will support additional noncompeting continuations, and a very small increase over the 1964 level for new grants.

The Committee has long believed that research in the area of child health and aging has been grossly inadequate in relation to the very

important problems in these two fields. These periods represent the beginning and ending of human life. As such, they are periods of extraordinary stress of both a biological and psychological nature. How we handle the beginning of life determines in no small measure the extent of the problems that will emerge before and during the productive age of our citizens; and our ability to handle the later years will determine the prospects of our elder citizens for a longer and vigorous, healthy existence, as against a period of discouragement and isolation plagued by illnesses.

Quite apart from these generalities, the Committee is convinced that efforts are inadequate in terms of the realities. To mention one, the situation in which three percent of our children have some degree of mental retardation. The time is ripe for a massive onslaught on the conditions producing these sad statistics.

The Committee was informed that transfers of grants from other Institutes have been accomplished satisfactorily and good working relationships have been established with the Institutes and with other Government agencies, such as the Office of Education and the Children's Bureau, which have areas of mutual interest. The Committee learned that lines of demarcation and an inter-Institute coordinating staff group have been established so that duplication of effort will be avoided. For example, in the field of mental retardation, the new Institute will undertake a broad study of prenatal influences, including those affecting the formation of the embryo and the development of all organ systems, whereas the National Institute of Neurological Diseases and Blindness will continue to focus its attention on factors affecting development of the nervous system which may result in mental retardation. In connection with learning, the Committee understands that the new Institute will direct its studies to the learning process itself and what might be called normal learning, whereas the National Institute of Mental Health will continue to study disorders of learning, and the Office of Education will concern itself with application of this knowledge. In connection with transfer of certain grants from the National Cancer Institute, it was pointed out that research on embryology had been sponsored by the Cancer Institute because of its specific interest in cell growth and division in connection with malignancy, but that now embryological research will be primarily an area of interest in the new Institute.

The Committee takes note that the organization of this new Institute has been completed and that staffing has been proceeding with some success in consideration of the difficulties of and limitations upon recruiting top flight scientists into the Federal service. Apparently such top staff as have been recruited have joined the Institute because of a conviction of the importance of the area of its responsibility. It is unfortunate that they must do so by accepting economic penalties.

Viewed in the light of these staffing developments and the programs already in being, it seems unlikely that sufficient emphasis has been given in the 1965 budget for this Institute to grow at a rate commensurate with its capabilities and the importance of its subject area. The Committee hopes that in construction of the 1966 budget full appreciation of the role of this Institute within the constellation of the National Institutes of Health will dictate the development of a realistic budget which will not be curtailed by a false sense of economy.

At the hearings the main lines of the Institute's programs were explored by the Committee. Apart from the problem of mental retardation, the Committee learned with satisfaction of other areas selected for inquiry. Particular emphasis will be given to studies surrounding fertility and early fetal development. Systematic undertakings will be pursued in the field of prematurity and its consequences to the development of a healthy infant. The field of aging will be studied in depth.

Viewing these activities, the Committee agrees with the Institute that the primary barrier to progress in all these fields stems from an inadequate body of scientists to pursue the studies and inadequate physical resources within which the studies can be developed. The Committee realizes further that contrary to the situation characterized by the beginning years of the other disease oriented, categorical Institutes, there are not large numbers of inadequately supported scientists who can be drawn rapidly into the field. Therefore, the availability of dollars will not by itself assure research effort commensurate with the gravity of the problem. There is great need for broad systematic projects of science training in fields relevant to the interests of this Institute.

It seems likely that if this is to be a major Institute and take its place with the other great Institutes of the NIH, it will require facilities at Bethesda both for direct research and for its extramural management groups. The Committee believes, on the other hand, that the Institute is wise in stressing extramural activities during its initial phases. Only in this way will it be possible for the biomedical community at large to have brought to its attention the gravity of the research problems; and only through a network of broadly supported university centers will effective efforts in graduate education be established quickly. The Committee recognized that this Institute may require different types of direct operations activities than those of the disease-oriented Institutes. It may require direct operation units developed in association with a university environment. In line with the above perceived needs the Committee would like, before the next hearings, a realistic but imaginative set of program goals and proposals, looking toward a five-year plan for Institute activities.

The Committee in recent years has repeatedly expressed concern with the high infant mortality in the United States relative to that in a number of advanced European nations. The explanation given to the Committee for this relatively poor showing generally points to unusually high mortality rates for certain underprivileged socioeconomic groups in urban or rural slum areas. Doubtless there is truth to this; but the Committee is skeptical of simple and easy explanations. Clearly other factors must also be relevant. Diet, relative physical fitness, differing methods in management of labor, wide use of anesthesia, are just a few of the other factors that have been suggested from time to time. The Committee sees an urgent need for a comprehensive study of this problem, so that the U.S. will lead rather than follow other advanced countries of the world. Such a study necessarily would involve broad parallel efforts in the International field to identify the factors and the methods which bear upon lessened infant mortality rates. The Committee feels that

in such U.S.-International coordinated efforts, related to a specific and acute U.S. health need, we see most clearly the imperative that NIH research efforts not be restricted to the U.S. alone.

*National Cancer Institute.*—The Bill includes \$140,011,000 a reduction of \$744,000 from the request, and a reduction of \$4,329,000 from the amount appropriated for 1964. However, \$1,146,000 of the 1964 appropriation was transferred to the Institute of Child Health and Human Development. Thus on a comparable basis, the reduction is \$3,183,000. The reduction from the request is the amount budgeted for increasing the overhead allowance on research projects.

Encouraging progress in the treatment of childhood leukemia and in research on the relationship of viruses to cancer was reported to the Committee. Especially gratifying was the report of prolongation of life of leukemic children. The remission rate for children with childhood leukemia has been increased to about 90 percent, and the periods of remission and life expectancy have been dramatically increased. The advances have been such that a registry of patients surviving more than five years has been created in order to keep an accurate count of such patients.

The national cancer chemotherapy research program has now been in operation for eight years. It has been a broad program including not only procurement and synthesis of new materials, screening of drugs and clinical testing of promising ones, but also research on test methods, on the biochemistry of cancer, on preclinical pharmacology and on the mechanism of action of drugs. A number of notable accomplishments have come from this program. Among them is a chemical, derived from a male hormone, which has been especially useful in treating advanced breast cancer because it does not have the masculinizing effect of the earlier compounds used. So far, however, the advances against cancer have largely been in the way of palliation and some prolongation of life. The two striking exceptions have been in uterine cancer, in which early diagnosis has resulted in early treatment and cure, and in the rare cancer developing in women during pregnancy, choriocarcinoma, for which a chemical treatment and cure has been found.

The Committee has received interesting testimony from several NIH Institutes on significant recent advances in knowledge of cell biology, with its clear pertinence to cancer problems, and in virology, which may very well provide the key to cancer causation. However, the Committee is disappointed by the apparent lack of success of the Cancer Institute to date in interesting an adequate number of outstanding cell biologists and virologists in systematic development of this new knowledge, with specific orientation to cancer. The Committee feels that much of the Cancer Institute's most effective effort today is clinically or empirically oriented. While the Committee believes that these efforts are justified and might in fact be further extended, the Committee also feels that, when so much underlying biological knowledge about cancer is lacking, more attention should also be given to this. The Committee therefore requests the Director of the Institute to explore and devise additional program mechanisms through which fundamental biological research would be pressed, but within a context of overall concern for the practical problems presented by cancer. One possibility would be the establishment by

NCI of one or more institutes of cell biology, in major university settings, or in parallel with existing major cancer research institutions. The Committee would like to see a presentation of specific program proposals along these or similar lines.

Pertinent to the above, the Committee notes that while in the past, the National Cancer Institute played a leading role in developing broad research efforts in biology in this country, its activities today are not as conspicuous in many fundamental research areas as several of the other Institutes. The Committee sees a clear need for reinvigorating this Institute's efforts in these areas, for no disease area is more in need of information on underlying biological factors than is cancer. The Committee recalls that in the case of choriocarcinoma, the presently successful treatment resulted from such basic research in which the role of hormones in influencing uterine changes was explored.

While the 1965 budget makes the whole NIH appear conservative, the Committee has noticed that, in general during the past few years, the Cancer Institute has tended to take a more conservative approach than other institutes. While it is gratified with the progress that has been made, the Committee is impatient and wishes that this institute would be more aggressive.

*National Institute of Mental Health.*—The Bill includes \$187,932,000, a reduction of \$812,000 from the request, and an increase of \$4,644,000 over the 1964 appropriation.

Since \$6,914,000 of the 1964 appropriation was transferred to the Institute of Child Health and Human Development, the increase, on a comparable basis, is \$11,558,000. The reduction from the request is the amount budgeted for increasing the allowance for indirect costs in connection with research grants.

In comparison with 1964 program levels, the request for 1965 will support an increase of about \$2.7 million in research grants, mainly for noncompeting continuations; there is an increase of about \$8 million for training grants, though there will be fewer new grants in this area; and there is a net reduction of 16 in the number of Fellowships supported along with a minor increase in funds. The main program increase is \$6 million for Hospital Improvement Grants. Finally, there is a reduction of \$4.2 million marking the completion of the State planning grants program.

The Committee was pleased to hear that the population of State and county mental hospitals has continued to decline, as it has done every year for the past eight years. In 1955, the peak year, there were 558,922 patients in these mental hospitals, while in 1963 on a comparable day, there were 504,947, a drop of 9.7 percent. The savings just in maintenance costs represented by this figure are estimated at approximately \$320,000,000 over the 8 year period. If it were assumed that the upward population trend continued until now at the same rate it rose in the 9 years prior to 1956, the patient total today would be 661,000 or 156,000 more than the actual figure. In terms of this larger projected total, indicated savings would run close to one billion dollars, over the 8 year period.

Much of this gratifying decline in the mental hospital population has resulted from intelligent therapeutic regimens which together with the development of community services permit handling patients in the communities rather than in the large State and County institutions. The Committee also learned that the number of psychiatric outpatient

clinics has been increased by almost 400 percent and that the number of trained professionals functioning in the mental health field has increased almost twice as rapidly as the total number of professionals in the health field generally.

The Committee heard reports of good progress in the grants-in-aid program for comprehensive mental health planning. Under this program every State in the Union will be able to formulate a comprehensive community approach to the problems of mental illness as they affect the residents of each State.

Contributing to the comprehensive mental health programs being developed is the new hospital improvement projects program for which this Congress appropriated \$6 million for 1964. Between announcement of the program in October and early December, applications for grants under this program were already received from 48 of the 54 States and Territories.

These developments, coupled with the broad effort being directed toward the expansion of community mental health facilities under P.L. 88-164, present the clear prospect that for the first time in the history of our country we will have the will, capability, and resources to care for the mentally ill with intelligence, compassion and effectiveness. Quite apart from the humane considerations involved, such a program will result in very substantial financial savings.

Basic to these new programs and the new program for construction of community mental health facilities, and to all efforts to reduce the burden of mental illness and restore the afflicted to health, is the need for more and adequately trained personnel. The new program for inservice training for which this Congress appropriated \$3.3 million for 1964, and under which psychiatric aides, attendants, houseparents, and others directly involved in patient care will be trained, is expected to contribute greatly to the success of many of the Institute's programs. The Institute is gearing all its training programs to the new concept of continuous and comprehensive community care and is projecting these plans to meet the demands of the next ten or more years.

While pleased with the progress being made along new as well as established lines of attack on the problem of mental illness, the Committee is nevertheless aware that the current plans are largely directed to improvements in care of the mentally ill. It appears to the Committee that in this, as in some other areas of chronic illness, more definitive gains must be sought through an intensified research attack on fundamental causes, from which knowledge leading to prevention can be expected.

Since 1959 this committee has annually heard professional and lay witnesses from all parts of the country who have come in to testify on the problem of juvenile delinquency. This year we received extensive documentation to the effect that the problem of juvenile delinquency is growing. In the past year alone there has been a 13% increase in the number of juveniles brought before the courts by police officers throughout the country.

Witnesses appearing before the committee this year contended that the present sums allocated by the National Institute of Mental Health for research, training and demonstration projects in the field of juvenile delinquency are far from sufficient to meet the newly awakened interest in this field. At the present time, seven cities are engaged in broad, community-wide attacks upon juvenile delinquency with funds

supplied from the President's Committee on Juvenile Delinquency, matched by considerable municipal and private contributions. The National Institute of Mental Health has participated in the partial funding of only one of these projects—Mobilization for Youth on the Lower East Side of New York City. In addition to the aforementioned projects, eleven cities have received funds from the President's Committee on Juvenile Delinquency for the planning of additional community-wide demonstrations. A number of these cities are close to completing their plans and will seek Federal matching funding during fiscal 1965.

The NIMH is the only agency which is technically equipped to provide professional assistance and support for the research and evaluation aspects of these demonstrations. We will be wasting the taxpayers money if we support the action phases of these various community juvenile delinquency projects but neglect to do the necessary research and evaluation to determine what aspects of each program can be applied on a nationwide scale. As the testimony brought out this year, each of these projects, whether urban or rural, emphasizes uniquely different approaches to the control of juvenile delinquency. It is therefore of paramount importance that we get some research answers as to the effectiveness and validity of these various approaches. While the Committee would not want the Institute to use its funds as a substitute for financing under the Juvenile Delinquency and Youth Offenses Control Act, P.L. 87-274, or similar specific legislation that may be enacted this year, it will expect that the NIMH will participate in funding those research and training aspects of demonstration projects in various cities which are particularly relevant to its total mental health mission.

Several years ago, in recognition of the size of the problem and the very, very little being done about it in the research field, the Committee earmarked funds of the Institute for research on alcoholism. The Committee is quite disappointed in the progress being made and hopes that the Institute will do some serious thinking about the basic approach being taken. This problem affects an estimated 5,000,000 persons, accounts for thousands and thousands of broken homes and billions of dollars in economic loss. The author of one recently published book said "The field of alcoholism is the only area of research in the world of science that seems to accept defeat before it starts." While the Committee is not prepared to agree that this statement is literally true, it does feel that there should be a reassessment of the basic approach to the problem.

*Construction of community mental health centers.*—The bill includes \$35,000,000, the amount of the request, for this important new program. The program is authorized by the Community Mental Health Centers Act passed by the last session of Congress. It will make possible a major demonstration effort of the value of this new type of mental health facility.

*National Heart Institute.*—The Bill includes \$124,174,000, a decrease of \$1,119,000 from the request, and a decrease of \$8,230,000 from the amount appropriated for 1964. However, \$4,981,000 of the 1964 appropriation was transferred to the Institute of Child Health and Human Development so, on a comparable basis, the decrease is \$3,249,000. The reduction from the request is the amount budgeted for increasing the indirect cost allowance for research grants.

The Committee notes that 1965 represents the 15th year of Federally sponsored programs aimed at death and disability due to diseases of the cardiovascular system. During this 15 year period, a host of advances have contributed to forestalling the ravages of these diseases. In no small measure these gains resulted from the increasing availability of public funds to support research through grant activities across the Nation and in Federal laboratories.

Among the advances that might be noted are: the dramatic diminution in rheumatic fever and the consequent reduction in rheumatic heart disease through effective employment of antibiotics and hormones in prevention and treatment of these conditions. Bold advances in cardiac surgery make technical accomplishments of the early "blue baby" operations seem limited by comparison. Such achievements result from a whole array of new information on the cardiovascular system, from new anesthetic agents and techniques, from significant improvements in surgical procedures, together with mechanical aids to supplement the functions of the heart and lungs during operations, and from developments in the instrumentation field permitting precise monitoring of physiological events. In addition, there is high hope that the use of a variety of drugs will effectively control high blood pressure and halt the rapid progress of malignant hypertension. Yet despite all these, basic problems of causation remain to be solved.

In the attack on atherosclerosis, diet studies continue, but it appears that research of a more fundamental nature, focusing on fat metabolism and the mechanisms of fat transport in the body, is probably necessary before preventive measures could be developed that will be effective in any comprehensive way.

In terms of coronary heart disease, one result of these advances has been a drop in the death rate among women under 55 and a leveling off of the death rate among white males, with actual waning in some groups. The Committee listened with interest to outstanding witnesses from both within and outside Government discuss recent progress and present opportunities in this area, as well as relevant program plans. Clearly, there is urgent need and present opportunity for expanded study of drug therapy, including use of hormonal substances, for the control of coronary heart disease. The Committee, therefore, desires that an additional \$850,000 of the funds included in the bill be devoted to enlarge research along these lines. The Committee understands that this would be a cooperative study, requiring engineered approaches, and utilizing tightly drawn research protocols, strict controls, and considerable data analysis. The demands made on program staff, therefore, will be of unusual magnitude. The Committee understands that in subsequent years, the support level of this study probably should rise to an annual rate of two or three million dollars.

Commenting further on testimony presented in the hearings, the Committee was pleased to learn of further examples of continued progress, such as a promising agent, urokinase from human urine, for dissolving clots which gives hope of improving treatment of coronary thrombosis and perhaps other arterial and venous clotting disorders. It also learned of progress toward control of hemophilia, the hereditary disorder in which the blood fails to clot normally.



While systematic studies of drugs have been productive in better control of hypertension, investigation of neurochemical and hormonal processes must be pursued vigorously with the aim of developing curative and preventive rather than just palliative measures. Again, the Committee recognizes that such knowledge can only come through intensive research of a fundamental nature. In the applied area, on the other hand, the Committee is deeply interested in the development of mechanical support devices for the heart. Although it seems certain that basic physiologic information permitting more sophisticated approaches to the construction of an artificial heart is at hand, there is still a great need for a vigorous effort to broaden the fundamental base for such ventures.

The Committee is sufficiently concerned with the need for research in fundamental areas that it would like to receive an assessment of the broad areas of need in basic knowledge required for progress against atherosclerosis, hypertension and strokes. Further, it would like an assessment of the main experimental thrust for these areas in present programs, and the extent to which such work covers prime opportunities as perceived by the Institute, or the extent to which definite opportunities exist that might be satisfied with more deliberate programing.

The Committee was interested in plans for the Second National Conference on Cardiovascular Disease, to be held in Washington, D.C., in January, 1965. From this Conference should come not only a valuable review of progress during the 15 years since the first such conference but, even more important, guides for planning further programs and studies. The Committee is also pleased to learn of the appointment of the President's Commission on Cancer, Heart Disease and Strokes which will certainly contribute to guiding national action in respect to these important areas of health problems.

*National Institute of Dental Research.*—The Bill includes \$19,983,000, a decrease of \$119,000 from the request, and an increase of \$294,000 over the amount appropriated for 1964. The decrease is the amount budgeted for increasing the allowance for indirect costs under research grants. Since \$523,000 of the 1964 appropriation was transferred to the Institute of Child Health and Human Development, the increase for 1965, on a comparable basis, is \$817,000.

The budget submitted appears to be very conservative in essentially all elements of the program of this Institute. The testimony of outside witnesses was that this comes at a time when dental science has developed to the point where substantial funds can be used. There has been encouraging growth in manpower for research in dental science and promising development of new and more sophisticated instrumentation. Even more important, there has been a change in attitude toward dental science, with growing recognition of the magnitude of oral health problems, and the potential for their solution through broadly based fundamental research.

The Committee last year heard plans for an institute-type research center established within the setting of a limited number of universities across the Nation, for multi-disciplinary dental research along lines of the Institute itself. The Committee again wishes to express its interest in the establishment of such centers in a few major universities with strong biomedical research departments. It is suggested that consideration be given to awarding a limited number of developmental grants for the purpose of initiating such programs.

The Committee notes the encouraging progress reported in each of four areas of the Institute's research programs: caries, periodontal disease, cleft palate and diseases of the soft tissues. In cleft palate, while the progress made is encouraging, it is also little compared with the problem. It is hoped that this research will be stepped up during the next year.

*National Institute of Arthritis and Metabolic Diseases.*—The Bill includes \$112,050,000, a decrease of \$1,025,000 from the request and \$1,629,000 from the 1964 appropriation. However, since \$5,980,000 of the appropriation for 1964 was transferred to the Institute of Child Health and Human Development, the amount for 1965, on a comparable basis, is an increase of \$4,351,000. The reduction from the request is the amount budgeted for increasing allowances for indirect costs under research grants.

The Committee notes that this Institute, during its early years, concentrated on the therapy of arthritis and better understanding of insulin action, while developing a more fundamental basis for understanding of disease. Studies have evolved illuminating the relevance of metabolic factors in a host of diseases. It appears to the Committee that the Institute's program today strikes an appropriate balance between applied and fundamental studies.

Highlights of the Institute's studies and programs reported to the Committee this year include the following: The synthesis of a biologically active, artificial insulin molecule which, though less active than insulin from natural animal sources, provides an invaluable research tool for studying the mechanism of insulin action and seems to be a first step toward eventual production of synthetic insulin for therapeutic use by injection (since receiving this testimony the Committee has noted a report in the public press that the entire insulin molecule has now been synthesized); the development of a valuable diagnostic test for acromegaly, and adult forms of gigantism, and development of a source for human growth hormone for treatment of pituitary dwarfism; and the partial synthesis of ribonuclease, an enzyme which breaks down RNA, one of the two nucleic acids responsible for transmission of information within the cell.

These and other achievements give a striking indication of the results achieved through careful balancing of fundamental studies and practical disease research in the programs of this Institute.

The Committee notes that the 1965 budget request affords no program increases. Testimony of witnesses, together with the Professional Judgement Budget, make clear that this limitation will be felt most keenly in the training area. By comparison with 1964 program levels, there is a reduction in the number of fellowships to be supported, and a small increase in training grants overall, but 17 fewer new grants and less money for supplementals. For research grants, the only program increase is in non-competing continuations; and latest estimates of NIH show that the increase allowed won't meet obligatory payments for these continuations.

*National Institute of Allergy and Infectious Diseases.*—The Bill includes \$69,847,000, an increase of \$1,500,000 over the request, and an increase of \$1,124,000 over the amount appropriated for 1964. However, since \$1,606,000 of the 1964 appropriation was transferred to the Institute of Child Health and Human Development, the 1965 increase on a comparable basis, is \$2,730,000. The increase over the request is the net effect of a reduction of \$500,000 budgeted for an

increased allowance for indirect costs under research grants and a \$2,000,000 program increase explained below.

The Committee notes that the research programs of this Institute make it the lineal descendant of the first laboratory within the Public Health Service, which was founded by Dr. Joseph Kinyoun in the then Marine Hospital on Staten Island, N.Y. These programs constituted the nucleus of the Service's research effort through the Hygienic Laboratory period and at NIH prior to the establishment of the National Cancer Institute and the later categorical approach to solution of all serious disease problems. With this history in mind, the Committee notes with interest the re-emergence of this Institute into the forefront of the research attack. This comes through recognition of the fundamental importance of viruses as causes of a wide variety of diseases, and of immunologic factors in diseases presently not seen to be of infectious origin. The programs of this Institute therefore are important both on the fundamental level, and in their extension into areas of practical application as in the Vaccine Development Program.

Highlighting the activities of the Institute's programs, the Committee notes: the emergence of new viral vaccines; development of a prophylactic drug for smallpox; demonstration of the role of upper respiratory disease viruses in experimental carcinogenesis; and the possible involvement of latent viruses in neurological diseases. In programing for the future, it is obvious that a greater understanding of the fundamental nature of viruses will be necessary in order to clarify their role in specific diseases.

#### ORGAN TRANSPLANTS

The Committee has added \$2,000,000 to the budget of this institute to start a real program in the study of immunological defense mechanisms as they relate to the rejection, by one person's body, of transplanted tissues from the body of another person. This is the only really serious obstacle to successful organ transplants but it is such a complete obstacle that the successes today are almost nil.

Over the past year or so, there have been many reports of extraordinary organ transplant operations, in which diseased kidneys, lungs, livers, and even hearts, of fatally ill patients have been replaced by well organs, with potentially lifesaving effects. These operations represent triumphs in terms of surgical techniques. However, as mentioned above, in almost all instances, with the exception of identical twins, patients die subsequently because their body's immunological defense mechanisms eventually reject the foreign organ. The Committee sees this as an urgent area for increased research support.

*National Institute of Neurological Diseases and Blindness.*—The Bill includes \$87,621,000, a decrease of \$719,000 from the request (through disallowance of a higher indirect cost rate) and a decrease of \$54,000 below the amount appropriated for 1964. However, since \$3,204,000 of the appropriation for 1964 was transferred to the Institute of Child Health and Human Development, the increase on a comparable basis, is \$3,150,000.

In comparison with the 1964 program the 1965 request represents a reduction in new activities supported in each of the major program areas: research grants, training grants and fellowships. The only

increases in program are due to support for additional non-competing continuations of projects already started.

The Committee received interesting information on the Collaborative Perinatal Project. The first group of the 50,000 babies to be studied under this project are now three years old; and by next fiscal year, most of the remaining babies will have been born. Through analysis of findings derived from the first three years, information is beginning to be fed back on the causes of congenital malformation, perinatal mortality and prematurity. Definitive results must await longer term follow-up of the babies. The studies are evaluating a whole host of factors such as toxemia, age and physical characteristics of the mothers, prior pregnancy history, and the nature of labor and delivery.

Study of the placenta has revealed many important findings which appear to be related to abnormal pregnancy outcome. For example, defective development of the umbilical artery occurs frequently in association with other congenital anomalies and is related to an increase in perinatal mortality.

A higher rate of neurological abnormalities has been observed in premature children. Although only 10 percent of all births are prematures, 30 percent of neurologically abnormal children at 1 year of age were born prematurely. About 10 percent of all neurologically abnormal children at 1 year showed signs of asphyxia in the immediate neonatal period. In an extensive investigation of perinatal infections, 36 percent of 25,000 pregnant women showed evidence of prior infection with toxoplasmosis, and 2½ percent indicated recent infection. Seventeen percent were found susceptible to German measles. Over 10 percent experienced some viral infection during pregnancy. To evaluate the effects of drugs during pregnancy, data from Project pregnancies are available and are being supplemented by data from other sources. These and many other individual analyses are now making contributions to our knowledge of the many perinatal factors in the neurological and sensory disorders of infancy and childhood, and paving the way for the development of the means for preventing them.

However, the Committee notes that against this progress to date, the major diseases of the central nervous system and the special senses continue to elude basic clarification. It may be, therefore, that one of the most significant accomplishments of this Institute to date derive from its training programs. For a substantial number of scientists, particularly over the past five years, have been drawn into this complex, multi-disciplinary research area. In terms of the complexities of this area, the Committee agrees that the Institute is right in emphasizing program grants and centers for research, rather than individual investigator projects.

*Grants for construction of health research facilities.*—The bill includes \$58,000,000, the amount of the request, and an increase of \$2,000,000 above the amount appropriated for 1964. This provides \$50,000,000 for the program authorized by the Health Research Facilities Act of 1956, and \$8,000,000 to assist in meeting the costs of constructing centers for research on mental retardation as authorized by P.L. 88-164. A supplemental appropriation of \$6,000,000 was made to initiate the latter program in 1964.

*Scientific activities overseas (special foreign currency program).*—The Bill includes \$1,000,000, the amount of the request, and \$3,000,000 less than the amount appropriated for 1964.

The Committee has been very disappointed during the past three years with the lack of progress in this and other foreign currency programs of the Department. Each year there have been large balances remaining at the end of the year even though there were also worthwhile projects unfunded because of the red tape and excessive procedural delays. The Committee is pleased to note the recent increase in research activities financed with these funds. If as now appears to be a distinct possibility, the carry-over of funds is utilized by the expanding program the Committee hopes that the Public Health Service will plan to continue this progress in the future.

In general, it is the judgment of the Committee that even more aggressive efforts are called for to utilize to the fullest possible extent the opportunities made available by the existence of these foreign currencies. For example, local expenditures should be covered whenever possible from P.L. 480 funds for such purposes as: paying regular foreign research grants; financing International Centers for Medical Research and Training; grants to WHO and cooperative research projects with AID. It should be noted that funds made available under this appropriation are only for the purchase of foreign currency already to our credit; none of our dollars leave the country and these expenditures do not represent a claim on gold, goods or services in this country.

*National health statistics.*—The bill includes \$6,152,000, the amount of the request and \$203,000 more than the appropriation for 1964.

*National Library of Medicine.*—The bill includes \$3,792,000, an increase of \$180,000 above the amount of the request, and a reduction of \$282,000 below the amount appropriated for 1964. The Committee has dropped from the bill language which required that the funds used under authority of section 301 of the Public Health Service Act could be used only for translation of foreign documents. The Committee found that this language is so restrictive as to prevent the library from achieving its basic purpose of getting information it has into the hands of the scientists who need it. The Committee has also added funds to the bill to begin a program of research in the history of medicine. A detailed description of this program is set forth in Part 2 of the hearings with the Department of Health, Education and Welfare beginning on page 600.

*Salaries and expenses, Office of the Surgeon General.*—The bill includes \$6,006,000, the amount of the request, and \$85,000 less than the amount appropriated for 1964.

#### ST. ELIZABETHS HOSPITAL

*Salaries and expenses.*—The Committee has approved the total budget for St. Elizabeths Hospital which was \$28,330,000. This includes both reimbursements from Federal and non-Federal sources and direct appropriations to the hospital from general funds of the Treasury. The latter was budgeted at \$8,461,000. The Committee found that a change had been made in the definition of District prisoners with the result that the budget was based on 60 prisoners being shifted from the District of Columbia category to the Federal category. No adequate justification was submitted for such a change

and the Committee is not approving it. This results in a reduction of the budgeted Federal appropriation from \$8,461,000 to \$8,248,000, or a reduction of \$213,000. There is of course a corresponding increase in the payments which will be received from the District of Columbia.

The budget for the hospital will cover all mandatory increases in costs, primarily increases in salary costs, and will provide for 33 new positions. All of the new positions are for improvement in security procedures which have recently been given particular scrutiny and have received some criticism.

As in so many other places, the 1965 budget was very conservative. This hospital, located in the Nation's Capital City, should be the best hospital for the mentally ill in the world.

*Buildings and facilities.*—The Bill includes \$2,032,000, the amount of the request, and an increase of \$1,405,000 above the amount appropriated for 1964. These funds will provide for no new construction but only miscellaneous repairs and improvements to existing facilities.

#### SOCIAL SECURITY ADMINISTRATION

*Limitation on Salaries and expenses.*—The Bill includes authorization to use \$326,410,000 from the trust funds, a reduction of \$2,000,000 from the request, and an increase of \$8,510,000 above the amount authorized for 1964. The amount allowed will only cover mandatory cost increases and will require that all increase in workload be absorbed through economies in operating methods and improvements in manpower utilization.

*Limitation on construction.*—The Bill includes \$5,750,000, the amount of the request. No appropriation was made for this purpose in 1964.

Shortly before this budget was submitted, members of the Committee made a trip to the Southwest for the primary purpose of a first-hand review of the Mexican Farm Labor Program; but while there, other activities of the Departments of Labor, and Health, Education and Welfare were also visited. Among these was the Social Security Administration's payment center in San Francisco. The members were surprised to find this operation located in the high rent district of down-town San Francisco, whereas their operations are such that only a simple building is needed; and it could be located any place where good transportation is available for the employees.

It seems obvious that tens of millions of dollars could be saved by the Social Security Administration constructing their own facilities rather than renting. The Committee was happy to see that the Social Security Administration budgeted for a start on such a program.

The request includes \$450,000 for plans and specifications for additional headquarters construction at Woodlawn, Maryland, and \$5,300,000 for construction of District offices. Due to the expansion of this program the headquarters at Woodlawn, Maryland, are no longer adequate to house all of the headquarters personnel. This results in inefficiencies in operation which are aimed to be corrected by the planned expansion of facilities. It is estimated that annual savings of \$279,000 will accrue to the Trust Fund by constructing rather than leasing the added space required.

In connection with the District office construction the Committee was advised that the proposed program contemplates the acquisition

of sites, design and construction of 25 small public buildings, ranging in cost from \$117,000 to \$521,000, and that they will be prototype in character. The criteria for making the decision as to where it is more advantageous to construct district office buildings seemed sensible and wise to the committee. It was pointed out that a comparison of the cost of constructing these offices with the cost of leasing the same amount of space over a period of 40 years reflects savings in excess of \$5.6 million to the Trust Fund.

#### WELFARE ADMINISTRATION

*Grants to states for public assistance.*—The Bill includes \$2,880,000,000, a reduction of \$100,000,000 from the request and \$155,000,000 over the amount appropriated for 1964. The committee cannot believe that the cost of this program needs to continue going up, especially in view of the 1962 amendments which were supposed to reduce these costs, and in view of the increase in economic activity estimated to result from the tax cut, and the inroads to be made by the anti-poverty program.

*Assistance for repatriated U.S. nationals.*—The Bill includes \$310,000, the amount of the request and \$157,000 less than the amount appropriated for 1964. The reduction is due to the expiration of legislation covering repatriates other than mentally ill.

*Salaries and expenses, Bureau of Family Services.*—The Bill includes \$5,359,000, a reduction of \$264,000 from the request, and \$403,000 more than the amount appropriated for 1964. The original request of \$5,683,000 was aimed at providing for mandatory cost increases and 87 additional positions. This budget was amended to \$5,623,000 and the number of positions reduced by 6. The committee has allowed 42 additional positions which it feels should be an adequate number to do a commendable job, especially in view of the fact that there is no new legislation in immediate prospect to add to the workload of the Bureau.

*Grants for maternal and child welfare.*—The Bill includes \$129,830,000, a reduction of \$2,000,000 from the request and an increase of \$30,387,000 over the amount appropriated for 1964. The budgeted increases were based almost completely on the increased authorization included in the Maternal and Child Health and Mental Retardation Planning Amendments of 1963. These increases are as follows: (1) to increase maternal and child health services grants, \$5,000,000; (2) to increase crippled children's services grants, \$5,000,000; (3) to increase child welfare services grants, including an increase of \$4,000,000 for day care services, \$9,000,000; (4) to provide for an expanded research training or demonstration grant program in child welfare, \$1,887,000; (5) to expand the newly authorized program of special project grants for maternity and infant care, \$10,000,000; and (6) to expand the newly authorized program of research projects relating to maternal and child health and crippled children's services, \$1,500,000. The reduction made by the committee will provide for a \$2,000,000 rather than a \$4,000,000 increase for day care centers.

*Salaries and expenses, Children's Bureau.*—The Bill includes \$4,295,000, the amount of the request, and an increase of \$519,000 above the amount appropriated for 1964. The increase will provide for mandatory cost increases and 3 additional positions.

*Salaries and expenses, Office of Aging.*—The Bill includes \$566,000, a reduction of \$34,000 from the request, and an increase of \$21,000 above the amount appropriated for 1964. The reduction represents the amount budgeted for "increase in available man-years related to positions authorized for fiscal year 1964", in other words lapse adjustments.

*Cooperative research or demonstration projects.*—The Bill includes \$1,700,000, a reduction of \$100,000 from the request, and an increase of \$245,000 above the amount appropriated for 1964.

*Salaries and expenses, Office of the Commissioner.*—The Bill includes \$1,062,000, the amount of the request, and an increase of \$37,000 above the amount appropriated for 1964.

#### SPECIAL INSTITUTIONS

*American Printing House for the Blind, education of the blind.*—The Bill includes \$865,000, the amount of the request, and an increase of \$90,000 above the amount appropriated for 1964.

*Freedmen's Hospital, salaries and expenses.*—The Bill includes \$3,873,000, the amount of the request, and a reduction of \$7,000 below the amount appropriated for 1964.

*Salaries and expenses, Gallaudet College.*—The Bill includes \$1,926,000, the amount of the request, and an increase of \$104,000 above the amount appropriated for 1964.

As a result of conversion by the college from a directly operated food service system to a contract system, estimated savings of approximately \$50,000 will occur in 1964. However, instead of allowing a real savings to be reflected, funds were reprogrammed and five positions in addition to those authorized for 1964 were added for operation and maintenance of the physical plant, and one above the positions authorized for 1964 was added for general administration. The committee was not consulted on this, in fact, the committee was not even advised until after the reprogramming had been accomplished. While this is technically not a Federal institution, Federal appropriations constitute well over two-thirds of its support. Its budget is handled in the same manner as the budget for a Federal activity. The committee will expect that in the future closer attention will be paid to what are generally considered in the Federal government to be good budgeting practices after the appropriation is made, as well as when funds are being sought from Congress.

*Construction, Gallaudet College.*—The Bill includes \$329,000, a reduction of \$38,000 from the request, and a reduction of \$2,590,000 below the amount appropriated for 1964. The committee has allowed requested funds for continuation of the program of renovation and repair, for replacement of fence, and air conditioning. It has also allowed \$26,000 for planning outside services and utilities. The committee has not allowed \$38,000 for planning faculty apartments.

*Salaries and expenses, Howard University.*—The Bill includes \$9,660,000, the amount of the request, and an increase of \$841,000 above the amount appropriated for 1964. Except for funds necessary to cover mandatory cost increases, the increase is practically all directly tied to the increasing enrollment at the University.

*Construction, Howard University.*—The Bill includes \$1,810,000, the amount of the request, and a reduction of \$4,435,000 below the amount appropriated for 1964. Several items are covered by the request, the



most significant of which is \$937,000 for construction of the social work building for which \$56,000 has previously been appropriated for planning.

#### OFFICE OF THE SECRETARY

*Salaries and expenses, Office of the Secretary.*—The Bill includes \$3,070,000 and authorization to transfer \$479,000 from the OASI trust fund, a reduction of \$93,000 in the requested appropriation and the same as the amount requested by transfer, and \$237,000 and \$12,000, respectively, above the amounts authorized for 1964. The reduction of \$93,000 represents the total of the amounts budgeted for within-grade promotion costs and for lapse adjustment.

*Salaries and expenses, Office of Field Administration.*—The Bill includes \$3,784,000 and authorization to transfer \$1,288,000 from other accounts, a reduction of \$29,000 from the requested appropriation and the same as the amount requested by transfer, and \$50,000 over the amount appropriated for fiscal year 1964 and \$49,000 less than the amount authorized to be transferred in 1964. The reduction of \$29,000 is the amount budgeted for the cost of within grade salary increases.

*Surplus property utilization.*—The Bill includes \$970,000, the amount of the request, and an increase of \$20,000 above the amount appropriated for 1964.

*Salaries and expenses, Office of the General Counsel.*—The bill includes \$1,167,000 and authority to transfer \$907,000 from other accounts, a reduction of \$144,000 from the requested appropriation and the same amount as requested by transfer, and an increase of \$192,000 and \$7,000 respectively above the amounts authorized for 1964. The reduction represents the amounts budgeted for the cost of within-grade salary increases and lapse adjustment. Practically all of the increase will be required for mandatory costs.

*Educational television facilities.*—The bill includes \$13,000,000, a reduction of \$2,300,000 from the request, and an increase of \$6,500,000 above the amount appropriated for fiscal year 1964.

This program of assistance in the provision of educational television assistance was initiated by legislation enacted on May 1, 1962. The Congress authorized grants totaling \$32 million over a five year period. This appropriation together with funds heretofore appropriated will provide \$20.4 million of the \$32 million authorized. These funds will make it possible to assist communities to develop new or enlarged educational television facilities.

The Committee is persuaded of the wisdom and usefulness of this program in strengthening and extending educational opportunities to our youth. The Committee heard, however, some disquieting testimony to the effect that there was a possibility that in some communities existing VHF channels now used for educational television programming might be replaced with UHF channels. The Committee understands that it is not the intention of the Department to assist in such actions and that technical decisions involving licensing are in the jurisdiction of the Federal Communications Commission. Nevertheless, the Committee wishes to make it clear that these funds are appropriated to extend and enlarge educational TV and not to provide substitute facilities. On the technical question involving deintermixture, the Congress has expressed its view in its choice of the alternative policy of all-channel development. This program should

not be used directly or indirectly to thwart that conclusion and further deintermixture.

### TITLE III—NATIONAL LABOR RELATIONS BOARD

*Salaries and expenses.*—The bill includes \$24,000,000, a reduction of \$1,250,000 from the request, and an increase of \$1,540,000 above the amount appropriated for 1964. The Committee recognizes that some increase in workload is almost inevitable and has allowed sufficient funds to cover all mandatory increases in costs and over \$600,000 for program increases. The Committee feels sure that the Board will be able to adequately administer its program with the funds recommended.

### TITLE IV—NATIONAL MEDIATION BOARD

*Salaries and expenses.*—The bill includes \$1,970,000, the amount of the request, and an increase of \$20,000 above the amount appropriated for 1964.

Last year the Committee was told that improved procedures were being developed in order to reduce to manageable levels the backlog of grievance cases before the Adjustment Board. While the statistics presented to the Committee do show some improvement in the number closed, it was very disappointing to see that the intake was going up at approximately the same rate with the result that the backlog was still remaining at about the same level. If the new procedures do not result in a substantial reduction in the backlog by next year, the Committee will expect to insist on the development of a new approach to this problem.

### TITLE V—RAILROAD RETIREMENT BOARD

*Limitation on salaries and expenses.*—The bill includes \$10,500,000, the amount of the request, and a reduction of \$565,000 below the amount appropriated for 1964. While the workload of the board will undoubtedly increase some in 1965, they estimate that savings from the use of automatic data processing equipment and other efficiencies will make it possible for them to handle this workload with the amount budgeted and recommended by the Committee.

*Payment for military service credits.*—The bill includes \$13,834,000, the amount of the request, as the first step in reimbursing the railroad retirement account for military service credits due under the Railroad Retirement Act. The plan is to make the full payment that is legally due in ten annual installments.

### TITLE VI—FEDERAL MEDIATION AND CONCILIATION SERVICE

*Salaries and expenses.*—The bill includes \$6,100,000, the amount of the request, and an increase of \$410,000 above the amount appropriated for 1964. This increase will provide funds for all mandatory cost increases and will allow for an increase from 405 to 415 permanent positions in order to adequately carry out the very important functions of the Service.

## TITLE VII—INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

*Contribution to Interstate Commission on the Potomac River Basin.*—The bill includes \$5,000, the amount of the request, and the same amount as was appropriated for 1964.

## TITLE VIII—UNITED STATES SOLDIERS' HOME

*Limitation on operation and maintenance and capital outlay.*—The bill includes authorization to use \$6,888,000 from the Soldiers' home permanent fund, the amount of the request, and an increase of \$266,000 over the amount provided for 1964.

### LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in connection with any appropriation bill are recommended:

On page 26, in connection with "Hospital construction activities":

*Provided further, That there may be transferred to this appropriation from "Grants for construction of community mental health centers" an amount not to exceed the sum of the allotment adjustments made by the Secretary pursuant to section 202(c) of the Community Mental Health Centers Act.*

On page 32, in connection with "Construction of community mental health centers":

*Provided, That there may be transferred to this appropriation from "Hospital construction activities" an amount not to exceed the sum of the allotment adjustments made by the Secretary pursuant to section 132(c) of the Mental Retardation Facilities Construction Act.*

On page 46, in connection with Department of Health, Education, and Welfare, general provisions:

*SEC. 205. None of the funds contained in this Act shall be used for any activity the purpose of which is to require any recipient of any project grant for research, training, or demonstration made by any officer or employee of the Department of Health, Education, and Welfare to pay to the United States any portion of any interest or other income earned on payments of such grants made before July 1, 1964.*

## PERMANENT APPROPRIATIONS, GENERAL AND SPECIAL FUNDS

Agency and item	Appropriated, 1964	Estimates, 1965	Increase (+), decrease (-)
Office of Education:			
Payments to States and Territories for colleges of agriculture and mechanic arts (act of Mar. 4, 1907)-----	\$2, 550, 000	\$2, 550, 000	-----
Payments to States for promotion of vocational education (act of Feb. 23, 1917)-----	7, 161, 000	7, 161, 000	-----
Total-----	9, 711, 000	9, 711, 000	-----

## TRUST FUNDS

[Not a charge against general revenue]

Agency and item	Appropriated, 1964	Estimates, 1965	Increase (+), decrease (-)
DEPARTMENT OF LABOR			
Bureau of Employment Security: Unemployment trust fund-----	\$4, 190, 739, 000	\$3, 932, 809, 000	-\$257, 930, 000
Bureau of Employees' Compensation:			
Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act, as amended-----	30, 000	30, 000	-----
Relief and rehabilitation, Workmen's Compensation Act, within the District of Columbia-----	9, 000	9, 000	-----
Administration of the District of Columbia Workmen's Compensation Act--	304, 000	314, 000	+10, 000

Bureau of Labor Statistics: Special statistical work-----	63, 000		—63, 000
Total, Department of Labor-----	4, 191, 145, 000	3, 933, 162, 000	—257, 983, 000
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE			
Office of the Secretary:			
President's Council on Aging-----	10, 000	10, 000	
Public Health Service trust funds-----	247, 000	115, 000	—132, 000
St. Elizabeths Hospital patients benefit fund-----	2, 000	2, 000	
Social Security Administration:			
Federal disability insurance trust fund-----	1, 198, 387, 000	1, 223, 622, 000	+25, 235, 000
Federal old-age and survivors insurance trust fund-----	15, 845, 553, 000	16, 215, 163, 000	+369, 610, 000
Total, Department of Health, Education, and Welfare-----	17, 044, 199, 000	17, 438, 912, 000	+394, 713, 000
RAILROAD RETIREMENT BOARD			
Railroad retirement account-----	1, 201, 600, 000	1, 279, 134, 000	+77, 534, 000
Limitation on Railroad Unemployment Insurance Administration fund-----	9, 345, 000	8, 615, 000	—730, 000
Total, Railroad Retirement Board-----	1, 210, 945, 000	1, 287, 749, 000	+76, 804, 000
Total trust funds, all agencies-----	22, 446, 289, 000	22, 659, 823, 000	+213, 534, 000

# COMPARATIVE STATEMENT OF THE APPROPRIATIONS FOR FISCAL YEAR 1964, AND THE ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1965

## TITLE I—DEPARTMENT OF LABOR

Item	Appropriations, 1964	Budget estimates, 1965 (as amended), and 1964 supple- mentals	Recommended in the bill	Bill compared with—	
				Appropriations, 1964	Budget estimates, 1965 (including 1964 supplementals)
BUREAU OF LABOR STATISTICS					
Salaries and expenses-----	\$16,345,000	\$18,388,000	\$18,125,000	+\$1,780,000	—\$263,000
Revision of Consumer Price Index-----	1,320,000	-----	-----	—1,320,000	-----
Total, Bureau of Labor Statistics-----	17,665,000	18,388,000	18,125,000	+460,000	—263,000
BUREAU OF INTERNATIONAL LABOR AFFAIRS					
Salaries and expenses-----	842,000	863,000	856,000	+14,000	—7,000
MANPOWER ADMINISTRATION					
Manpower development and training activities-----	110,000,000	411,000,000	327,906,000	+217,906,000	—83,094,000
Manpower development and training activities (1964 supplemental estimate)-----	-----	<sup>1</sup> 55,000,000	-----	-----	—55,000,000
Area redevelopment activities-----	8,500,000	9,000,000	8,500,000	-----	—500,000
Trade adjustment activities-----	150,000	345,000	344,000	+194,000	—1,000
Salaries and expenses, Bureau of Apprenticeship and Training-----	5,460,000	5,541,000	5,541,000	+81,000	-----
Limitation on salaries and expenses, Bureau of Employ- ment Security-----	[12,400,000]	[13,471,000]	[13,325,000]	[+925,000]	[—146,000]

<i>Limitation on grants to States for unemployment compensation and Employment Service Administration</i> -----	[425, 000, 000]	[455, 076, 000]	[455, 076, 000]	[+30, 076, 000]	[-----]
Unemployment compensation for Federal employees and ex-servicemen-----	152, 000, 000	126, 000, 000	126, 000, 000	-26, 000, 000	-----
Compliance activities, Mexican farm labor program----	1, 300, 000	870, 000	800, 000	-500, 000	-70, 000
<i>Salaries and expenses, Mexican farm labor program</i> ----	[1, 300, 000]	[850, 000]	[800, 000]	[-500, 000]	[-50, 000]
Total, Manpower Administration-----	277, 410, 000	607, 756, 000	469, 091, 000	+191, 681, 000	-138, 665, 000
LABOR-MANAGEMENT RELATIONS					
Labor-Management Services Administration-----	7, 450, 000	7, 736, 000	7, 352, 000	-98, 000	-384, 000
Bureau of Veterans' Reemployment Rights-----	784, 000	791, 000	791, 000	+7, 000	-----
Total, labor-management relations-----	8, 234, 000	8, 527, 000	8, 143, 000	-91, 000	-384, 000
WAGE AND LABOR STANDARDS					
Bureau of Labor Standards-----	3, 470, 000	3, 545, 000	3, 516, 000	+46, 000	-29, 000
Women's Bureau-----	785, 000	772, 000	772, 000	-13, 000	-----
Wage and Hour Division-----	19, 300, 000	20, 528, 000	20, 378, 000	+1, 078, 000	-150, 000
Total, wage and labor standards-----	23, 555, 000	24, 845, 000	24, 666, 000	+1, 111, 000	-179, 000
EMPLOYEES' COMPENSATION					
Salaries and expenses, Bureau of Employees' Compensation-----	4, 275, 000	4, 401, 000	4, 368, 000	+93, 000	-33, 000
<i>Transfer from trust funds</i> -----	[60, 000]	[60, 000]	[60, 000]	[-----]	[-----]
Employees' compensation claims and expense-----	53, 838, 000	52, 650, 000	52, 650, 000	-1, 188, 000	-----
Total, employees' compensation-----	58, 113, 000	57, 051, 000	57, 018, 000	-1, 095, 000	-33, 000

See footnotes at end of table, p. 57.

*Comparative statement of the appropriations for fiscal year 1964, and the estimates and amounts recommended  
in the bill for fiscal year 1965—Continued*

**TITLE I—DEPARTMENT OF LABOR—Continued**

Item	Appropriations, 1964	Budget estimates, 1965 (as amended) and 1964 supplements	Recommended in the bill	Bill compared with—	
				Appropriations, 1964	Budget estimates, 1965 (including 1964 supplementals)
<b>OFFICE OF THE SOLICITOR</b>					
Salaries and expenses-----	\$4, 420, 000	\$4, 857, 000	\$4, 857, 000	+\$437, 000	-----
<i>Transfer from unemployment trust fund</i> -----	[127, 000]	[132, 000]	[132, 000]	[+5, 000]	[-----]
Total, Office of the Solicitor-----	4, 420, 000	4, 857, 000	4, 857, 000	+437, 000	-----
<b>OFFICE OF THE SECRETARY</b>					
Salaries and expenses-----	2, 269, 000	3, 223, 000	3, 198, 000	+929, 000	—\$25, 000
<i>Transfer from unemployment trust fund</i> -----	[138, 000]	[139, 000]	[139, 000]	[+1, 000]	[-----]
Total, Office of the Secretary-----	2, 269, 000	3, 223, 000	3, 198, 000	+929, 000	--25, 000
Total appropriations, Department of Labor----	392, 508, 000	725, 510, 000	585, 954, 000	+193, 446, 000	—139, 556, 000

**TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE**

<b>FOOD AND DRUG ADMINISTRATION</b>					
Salaries and expenses-----	\$35, 805, 000	\$39, 200, 000	\$39, 200, 000	+\$3, 395, 000	-----
Buildings and facilities-----	4, 466, 000	11, 025, 000	10, 875, 000	+6, 409, 000	—\$150, 000
Total, Food and Drug Administration-----	40, 271, 000	50, 225, 000	50, 075, 000	+9, 804, 000	—150, 000
<b>OFFICE OF EDUCATION</b>					
Expansion and improvement of vocational education--	34, 756, 000	183, 296, 000	183, 296, 000	+148, 540, 000	-----



Expansion and improvement of vocational education (1964 supplemental estimate)-----		<sup>1</sup> 60, 000, 000			-----	- 60, 000, 000
Higher education facilities construction-----		464, 000, 000	463, 150, 000	+463, 150, 000		- 850, 000
Higher education facilities construction (1964 supplemental estimate)-----		<sup>1</sup> 266, 750, 000				-266, 750, 000
Further endowment of colleges of agriculture and the mechanic arts-----	11, 950, 000	11, 950, 000	11, 950, 000			-----
Payments to school districts-----	320, 670, 000	359, 450, 000	359, 450, 000	+38, 780, 000		-----
Assistance for school construction-----	23, 740, 000	58, 400, 000	58, 400, 000	+34, 660, 000		-----
Assistance for school construction (1964 supplemental estimate)-----		<sup>1</sup> 36, 606, 000				- 36, 606, 000
Defense educational activities-----	250, 788, 000	287, 890, 000	287, 853, 000	+37, 065, 000		- 37, 000
Defense educational activities (1964 supplemental estimate)-----		<sup>3</sup> 4, 090, 000				- 4, 090, 000
Educational improvement for the handicapped-----	14, 185, 000	16, 500, 000	16, 500, 000	+2, 315, 000		-----
Cooperative research-----	11, 500, 000	17, 000, 000	15, 840, 000	+4, 340, 000		- 1, 160, 000
Educational research (special foreign currency pro- gram)-----	500, 000	500, 000	500, 000			-----
Foreign language training and area studies-----	1, 500, 000	1, 500, 000	1, 500, 000			-----
Salaries and expenses-----	14, 761, 000	19, 699, 000	18, 599, 000	+3, 838, 000		- 1, 100, 000
Salaries and expenses (1964 supplemental estimate)-----		<sup>1</sup> 960, 000				- 960, 000
Total, Office of Education-----	684, 350, 000	1, 788, 591, 000	1, 417, 038, 000	+732, 688, 000		-371, 553, 000

See footnotes at end of table, p. 57.

*Comparative statement of the appropriations for fiscal year 1964, and the estimates and amounts recommended  
in the bill for fiscal year 1965—Continued*

**TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued**

Item	Appropriations, 1964	Budget estimates, 1965 (as amended), and 1964 supple- mentals	Recommended in the bill	Bill compared with—	
				Appropriations, 1964	Budget estimates, 1965 (including 1964 supplementals)
VOCATIONAL REHABILITATION ADMINISTRATION					
Grants to States-----	\$88,700,000	\$100,100,000	\$100,100,000	+\$11,400,000	-----
Research and training-----	34,810,000	40,620,000	40,565,000	+5,755,000	—\$55,000
Research and training (Special foreign currency pro- gram)-----	2,000,000	2,000,000	2,000,000	-----	-----
Salaries and expenses-----	2,905,000	<sup>4</sup> 3,140,000	3,140,000	+235,000	-----
Total, Vocational Rehabilitation Administration-----	128,415,000	145,860,000	145,805,000	+17,390,000	—55,000
PUBLIC HEALTH SERVICE					
Buildings and facilities-----	16,311,000	21,512,000	21,512,000	+5,201,000	-----
Accident prevention-----	4,163,000	3,823,000	4,163,000	-----	+340,000
Chronic diseases and health of the aged-----	55,654,000	<sup>5</sup> 53,743,000	53,722,000	—1,932,000	—21,000
Communicable disease activities-----	28,405,000	<sup>6</sup> 29,849,000	29,828,000	+1,423,000	—21,000
Community health practice and research-----	29,608,000	<sup>7</sup> 22,613,000	22,575,000	—7,033,000	—38,000
Control of tuberculosis-----	6,828,000	6,364,000	10,364,000	+3,536,000	+4,000,000
Control of venereal diseases-----	9,588,000	<sup>8</sup> 9,716,000	10,030,000	+442,000	+314,000

Dental services and resources.....	6, 218, 000	<sup>9</sup> 6, 662, 000	6, 651, 000	+433, 000	-11, 000
Nursing services and resources.....	11, 217, 000	<sup>10</sup> 4, 055, 000	4, 031, 000	-7, 186, 000	-24, 000
Hospital construction activities.....	231, 269, 000	23, 346, 000	23, 346, 000	-207, 923, 000	-----
Health professions educational assistance.....	-----	85, 782, 000	85, 782, 000	+85, 782, 000	-----
Health professions educational assistance (1964 supplemental estimate).....	-----	<sup>11</sup> 30, 390, 000	-----	-----	-30, 390, 000
George Washington University Hospital construction.....	2, 500, 000	-----	-----	-2, 500, 000	-----
Environmental health sciences.....	4, 224, 000	10, 890, 000	9, 350, 000	+5, 126, 000	-1, 540, 000
Environmental health sciences (1964 supplemental estimate).....	-----	<sup>11</sup> 1, 200, 000	-----	-----	-1, 200, 000
Air pollution.....	12, 954, 000	<sup>12</sup> 21, 990, 000	20, 930, 000	+7, 976, 000	-1, 060, 000
Air pollution (1964 supplemental estimate).....	-----	<sup>1</sup> 2, 190, 000	-----	-----	-2, 190, 000
Environmental engineering and sanitation.....	9, 009, 000	<sup>13</sup> 9, 187, 000	9, 117, 000	+108, 000	-70, 000
Occupational health.....	4, 990, 000	<sup>14</sup> 5, 195, 000	5, 163, 000	+173, 000	-32, 000
Radiological health.....	19, 145, 000	19, 640, 000	19, 598, 000	+453, 000	-42, 000
Water supply and water pollution control.....	28, 980, 000	<sup>15</sup> 34, 310, 000	34, 239, 000	+5, 259, 000	-71, 000
Grants for waste treatment works construction.....	90, 000, 000	90, 000, 000	90, 000, 000	-----	-----
Hospitals and medical care.....	49, 962, 000	52, 710, 000	52, 710, 000	+2, 748, 000	-----
Foreign quarantine activities.....	6, 456, 000	<sup>16</sup> 6, 851, 000	6, 851, 000	+395, 000	-----

See footnotes at end of table, p. 57.

*Comparative statement of the appropriations for fiscal year 1964, and the estimates and amounts recommended  
in the bill for fiscal year 1965—Continued*

**TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued**

Item	Appropriations, 1964	Budget estimates, 1965 (as amended), and 1964 supple- mentals	Recommended in the bill	Bill compared with—	
				Appropriations, 1964	Budget estimates, 1965 (including 1964 supplementals)
PUBLIC HEALTH SERVICE—continued					
National Institutes of Health:					
General research and services-----	\$163, 869, 000	<sup>17</sup> \$163,715,000	\$162, 959, 000	—\$910, 000	—\$756, 000
Biologics standards-----	4, 787, 000	<sup>18</sup> 4, 969, 000	4, 969, 000	+ 182, 000	-----
National Institute of Child Health and Human Development-----	<sup>19</sup> [34, 000, 000]	<sup>20</sup> 43, 152, 000	42, 696, 000	+42, 696, 000	—456, 000
National Cancer Institute-----	144, 340, 000	<sup>21</sup> 140, 755, 000	140, 011, 000	—4, 329, 000	—744, 000
National Institute of Mental Health-----	183, 288, 000	<sup>22</sup> 188, 744, 000	187, 932, 000	+4, 644, 000	—812, 000
Construction of community mental health centers-----		35, 000, 000	35, 000, 000	+35, 000, 000	-----
National Heart Institute-----	132, 404, 000	<sup>23</sup> 125, 293, 000	124, 174, 000	—8, 230, 000	—1, 119, 000
National Institute of Dental Research-----	19, 689, 000	<sup>24</sup> 20, 102, 000	19, 983, 000	+294, 000	—119, 000
National Institute of Arthritis and Metabolic Diseases-----	113, 679, 000	<sup>25</sup> 113, 075, 000	112, 050, 000	—1, 629, 000	—1, 025, 000
National Institute of Allergy and Infectious Diseases-----	68, 723, 000	<sup>26</sup> 68, 347, 000	69, 847, 000	+1, 124, 000	+1, 500, 000

National Institute of Neurological Diseases and Blindness-----	87, 675, 000	<sup>27</sup> 88, 340, 000	87, 621, 000	-54, 000	-719, 000
Grants for construction of health research facilities-----	56, 000, 000	58, 000, 000	58, 000, 000	+2, 000, 000	-----
Subtotal, National Institutes of Health-----	974, 454, 000	1, 049, 492, 000	1, 045, 242, 000	+70, 788, 000	-4, 250, 000
Scientific activities overseas (special foreign currency program)-----	4, 000, 000	1, 000, 000	1, 000, 000	-3, 000, 000	-----
National health statistics-----	5, 949, 000	<sup>28</sup> 6, 152, 000	6, 152, 000	+203, 000	-----
National Library of Medicine-----	4, 074, 000	<sup>29</sup> 3, 612, 000	3, 792, 000	-282, 000	+180, 000
Retired pay of commissioned officers (indefinite)-----	[6, 517, 000]	[7, 272, 000]	[7, 272, 000]	[+755, 000]	[-----]
Salaries and expenses, Office of the Surgeon General-----	6, 091, 000	<sup>30</sup> 6, 006, 000	6, 006, 000	-85, 000	-----
Total, Public Health Service-----	1, 622, 049, 000	1, 618, 280, 000	1, 582, 154, 000	-39, 895, 000	-36, 126, 000
ST. ELIZABETHS HOSPITAL					
Salaries and expenses (indefinite)-----	[7, 434, 000]	[8, 461, 000]	[8, 248, 000]	[+814, 000]	[-213, 000]
Buildings and facilities-----	627, 000	2, 032, 000	2, 032, 000	+1, 405, 000	-----
Total, St. Elizabeths Hospital-----	627, 000	2, 032, 000	2, 032, 000	+1, 405, 000	-----
SOCIAL SECURITY ADMINISTRATION					
Limitation on salaries and expenses-----	[317, 900, 000]	<sup>31</sup> [328, 410, 000]	[326, 410, 000]	[+8, 510, 000]	[-2, 000, 000]
Limitation on construction-----	-----	[5, 750, 000]	[5, 750, 000]	[+5, 750, 000]	-----
International Social Security Association meeting-----	91, 500	-----	-----	-----	-----
Total, Social Security Administration-----	91, 500	-----	-----	-91, 500	-----

See footnotes at end of table, p. 57.

*Comparative statement of the appropriations for fiscal year 1964, and the estimates and amounts recommended  
in the bill for fiscal year 1965—Continued*

**TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued**

Item	Appropriations, 1964	Budget estimates, 1965 (as amended), and 1964 supple- mentals	Recommended in the bill	Bill compared with—	
				Appropriations, 1964	Budget estimates, 1965 (including 1964 supplementals)
<b>WELFARE ADMINISTRATION</b>					
Grants to States for public assistance.....	\$2,725,000, 000	\$2,980,000, 000	\$2,880,000,000	+\$155,000,000	—\$100,000,000
Assistance for repatriated U.S. nationals.....	467, 000	310, 000	310, 000	—157, 000	-----
Salaries and expenses, Bureau of Family Services.....	4, 956, 000	<sup>32</sup> 5, 623, 000	5, 359, 000	+403, 000	—264, 000
Grants for maternal and child welfare.....	99, 443, 000	131, 830, 000	129, 830, 000	+30, 387, 000	—2, 000, 000
Salaries and expenses, Children's Bureau.....	3, 776, 000	<sup>33</sup> 4, 295, 000	4, 295, 000	+519, 000	-----
Juvenile delinquency and youth offenses.....	6, 950, 000	-----	-----	—6, 950, 000	-----
Salaries and expenses, Office of Aging.....	545, 000	600, 000	566, 000	+21, 000	—34, 000
Cooperative research or demonstration projects.....	1, 455, 000	1, 800, 000	1, 700, 000	+245, 000	—100, 000
Salaries and expenses, Office of the Commissioner.....	1, 025, 000	<sup>34</sup> 1, 062, 000	1, 062, 000	+37, 000	-----
Total, Welfare Administration.....	2, 843, 617, 000	3, 125, 520, 000	3, 023, 122, 000	+179, 505, 000	—102, 398, 000
<b>SPECIAL INSTITUTIONS</b>					
American Printing House for the Blind.....	775, 000	865, 000	865, 000	+90, 000	-----
Freedmen's Hospital, salaries and expenses.....	3, 880, 000	3, 873, 000	3, 873, 000	—7, 000	-----

Salaries and expenses, Gallaudet College-----	1, 822, 000	1, 926, 000	1, 926, 000	+104, 000	-----
Construction, Gallaudet College-----	2, 919, 000	367, 000	329, 000	-2, 590, 000	-38, 000
Salaries and expenses, Howard University-----	8, 819, 000	9, 660, 000	9, 660, 000	+841, 000	-----
Construction, Howard University-----	6, 245, 000	1, 810, 000	1, 810, 000	-4, 435, 000	-----
Total, special institutions-----	24, 460, 000	18, 501, 000	18, 463, 000	-5, 997, 000	-38, 000
OFFICE OF THE SECRETARY					
Salaries and expenses, Office of the Secretary-----	2, 833, 000	<sup>35</sup> 3, 163, 000	3, 070, 000	+237, 000	-93, 000
Transfer from OASI trust fund-----	[467, 000]	[479, 000]	[479, 000]	[+12, 000]	[-----]
Salaries and expenses, Office of Field Administration--	3, 734, 000	<sup>36</sup> 3, 813, 000	3, 784, 000	+50, 000	-29, 000
Transfers-----	[1, 337, 000]	[1, 288, 000]	[1, 288, 000]	[-49, 000]	[-----]
Surplus property utilization-----	950, 000	970, 000	970, 000	+20, 000	-----
Salaries and expenses, Office of the General Counsel--	975, 000	<sup>37</sup> 1, 311, 000	1, 167, 000	+192, 000	-144, 000
Transfers-----	[900, 000]	[907, 000]	[907, 000]	[+7, 000]	[-----]
Educational television facilities-----	6, 500, 000	15, 300, 000	13, 000, 000	+6, 500, 000	-2, 300, 000
Total, Office of the Secretary-----	14, 992, 000	24, 557, 000	21, 991, 000	+6, 999, 000	-2, 566, 000
Total, direct appropriations, Department of Health, Education, and Welfare-----	5, 358, 872, 500	6, 773, 566, 000	6, 260, 680, 000	+901, 807, 500	-512, 886, 000
Indefinite appropriations-----	13, 951, 000	15, 733, 000	15, 520, 000	+1, 569, 000	-213, 000
Total, direct and indefinite appropriations, Department of Health, Education, and Welfare--	5, 372, 823, 500	6, 789, 299, 000	6, 276, 200, 000	+903, 376, 500	-513, 099, 000

See footnotes at end of table, p. 57.

*Comparative statement of the appropriations for fiscal year 1964, and the estimates and amounts recommended in the bill for fiscal year 1965—Continued*

**TITLE III—NATIONAL LABOR RELATIONS BOARD**

Item	Appropriations, 1964	Budget estimates, 1965 (as amended), and 1964 supple- mentals	Recommended in the bill	Bill compared with—]	
				Appropriations, 1964	Budget estimates, 1965 (including 1964 supplementals)
Salaries and expenses-----	\$22, 460, 000	\$25, 250, 000	\$24, 000, 000	+ \$1, 540, 000	— \$1, 250, 000

**TITLE IV—NATIONAL MEDIATION BOARD**

Salaries and expenses-----	\$1, 950, 000	\$1, 970, 000	\$1, 970, 000	+ \$20, 000	-----
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**TITLE V—RAILROAD RETIREMENT BOARD**

Limitation on salaries and expenses-----	[\$11, 065, 000]	<sup>38</sup> [\$10, 500, 000]	[\$10, 500, 000]	[— \$565, 000]	[-----]
Payment for military service credits-----	-----	13, 834, 000	13, 834, 000	+ 13, 834, 000	-----

**TITLE VI—FEDERAL MEDIATION AND CONCILIATION SERVICE**

Salaries and expenses-----	\$5, 690, 000	\$6, 100, 000	\$6, 100, 000	+ \$410, 000	-----
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**TITLE VII—INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN**

Contribution to Interstate Commission on the Potomac River Basin-----	\$5, 000	\$5, 000	\$5, 000	-----	-----
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**TITLE VIII—UNITED STATES SOLDIERS' HOME**

<i>Limitation on operation and maintenance and capital outlay</i> -----	[\$6, 622, 000]	[\$6, 888, 000]	[\$6, 888, 000]	[ + \$266, 000]	[-----]
Grand total-----	5, 795, 436, 500	7, 561, 968, 000	6, 908, 063, 000	+ 1,112,626,500	—\$653, 905, 000
Consisting of:					
1964 supplemental appropriations-----		457, 186, 000	-----	-----	—457, 186, 000
Direct appropriations-----	5, 781, 485, 500	7, 089, 049, 000	6, 892, 543, 000	+ 1,111,057,500	—196, 506, 000
Indefinite appropriations-----	13, 951, 000	15, 733, 000	15, 520, 000	+ 1, 569, 000	—213, 000

<sup>1</sup> Submitted in H. Doc. 203.

<sup>2</sup> Reflects reduction of \$300,000 in H. Doc. 240.

<sup>3</sup> Submitted in H. Doc. 203 as part of \$35,258,000 total request, \$31,168,000 of which was appropriated in P.L. 88-268.

<sup>4</sup> Reflects reduction of \$20,000 in H. Doc. 240.

<sup>5</sup> Reflects reduction of \$26,000 of \$250,000 reduction under "Community health" in H. Doc. 240.

<sup>6</sup> Reflects \$168,000 of \$250,000 reduction under "Community health" in H. Doc. 240.

<sup>7</sup> Reflects \$31,000 of \$250,000 reduction under "Community health" in H. Doc. 240.

<sup>8</sup> Reflects \$9,000 of \$250,000 reduction under "Community health" in H. Doc. 240.

<sup>9</sup> Reflects \$9,000 of \$250,000 reduction under "Community health" in H. Doc. 240.

<sup>10</sup> Reflects \$7,000 of \$250,000 reduction under "Community health" in H. Doc. 240.

<sup>11</sup> Submitted in H. Doc. 174.

<sup>12</sup> Reflects \$40,000 of \$198,000 reduction under "Environmental health" in H. Doc. 240.

<sup>13</sup> Reflects \$28,000 of \$198,000 reduction under "Environmental health" in H. Doc. 240.

<sup>14</sup> Reflects \$20,000 of \$198,000 reduction under "Environmental health" in H. Doc. 240.

<sup>15</sup> Reflects \$110,000 of \$198,000 reduction under "Environmental health" in H. Doc. 240.

<sup>16</sup> Reflects reduction of \$42,000 in H. Doc. 240.

<sup>17</sup> Reflects \$30,000 of \$875,000 reduction under "National Institutes of Health" in H. Doc. 240.

<sup>18</sup> Reflects \$23,000 of \$875,000 reduction under "National Institutes of Health" in H. Doc. 240.

<sup>19</sup> These funds are derived from the following transfers:

"General research and services, National Institutes of Health"-----	\$9, 646, 000
"National Cancer Institute"-----	1, 146, 000
"National Institute of Mental Health"-----	6, 914, 000
"National Heart Institute"-----	4, 981, 000
"National Institute of Dental Research"-----	523, 000
"National Institute of Arthritis and Metabolic Diseases"-----	5, 980, 000
"National Institute of Allergy and Infectious Diseases"-----	1, 606, 000
"National Institute of Neurological Diseases and Blindness"-----	3, 204, 000
Total-----	34, 000, 000

<sup>20</sup> Reflects \$17,000 of \$875,000 reduction under "National Institutes of Health" in H. Doc. 240.

<sup>21</sup> Reflects \$207,000 of \$875,000 reduction under "National Institutes of Health" in H. Doc. 240.

<sup>22</sup> Reflects \$173,000 of \$875,000 reduction under "National Institutes of Health" in H. Doc. 240.

<sup>23</sup> Reflects \$105,000 of \$875,000 reduction under "National Institutes of Health" in H. Doc. 240.

<sup>24</sup> Reflects \$33,000 of \$875,000 reduction under "National Institutes of Health" in H. Doc. 240.

<sup>25</sup> Reflects \$101,000 of \$875,000 reduction under "National Institutes of Health" in H. Doc. 240.

<sup>26</sup> Reflects \$98,000 of \$875,000 reduction under "National Institutes of Health" in H. Doc. 240.

<sup>27</sup> Reflects \$88,000 of \$875,000 reduction under "National Institutes of Health" in H. Doc. 240.

<sup>28</sup> Reflects \$32,000 of \$112,000 reduction under "certain other public health service" in H. Doc. 240.

<sup>29</sup> Reflects \$21,000 of \$112,000 reduction under "certain other public health service" in H. Doc. 240.

<sup>30</sup> Reflects \$27,000 of \$112,000 reduction under "certain other public health service" in H. Doc. 240.

<sup>31</sup> Reflects reduction of \$1,960,000 in H. Doc. 240.

<sup>32</sup> Reflects \$60,000 of \$90,000 reduction under "Welfare Administration, salaries and expenses" in H. Doc. 240.

<sup>33</sup> Reflects \$20,000 of \$90,000 reduction under "Welfare Administration, salaries and expenses" in H. Doc. 240.

<sup>34</sup> Reflects \$10,000 of \$90,000 reduction under "Welfare Administration, salaries and expenses" in H. Doc. 240.

<sup>35</sup> Reflects \$22,000 of \$74,000 reduction under "Office of the Secretary, salaries and expenses" in H. Doc. 240.

<sup>36</sup> Reflects \$35,000 of \$74,000 reduction under "Office of the Secretary, salaries and expenses" in H. Doc. 240.

<sup>37</sup> Reflects \$17,000 of \$74,000 reduction under "Office of the Secretary, salaries and expenses" in H. Doc. 240.

<sup>38</sup> Reflects reduction of \$60,000 in H. Doc. 240.

